

# The National Underwriter

## LIFE INSURANCE EDITION

FRIDAY, JUNE 4, 1926



## Peoria Life Insurance Company

Peoria, Illinois

### *We Help Our Agents with Clubs*

Three clubs invite the activity of Peoria Life agents. They are the Hundred Thousand Club, the Two Hundred Thousand Club and the Quarter Million Club.

In its lowest, poorest form, an agency production club may amount to little more than a free joy ride, following the production of a specified minimum of business. Our idea with reference to clubs is to hold as far as possible to the opposite extreme.

The clubs of the Peoria Life serve to develop its agents for success. They are constructive and educational

in character. They provide association with other successful men. They stimulate the greatest productive powers of their members, and increase their earnings.

A Peoria Life agent who qualifies for one of these clubs demonstrates more than his ability to produce the required volume. He must also have conformed to high standards of service, conservation, and the general operation of his business.

You can be very sure that a man who wears the badge of a Peoria Life club is a credit to his profession. He deserves to enjoy his visit to Philadelphia and the Exposition which the Company has arranged for him next August.

## The Liberal Features of the New York Life's Disability and Double Indemnity Provisions

Illustration of a \$10,000 Ordinary Life policy with 1% Disability and with Double Indemnity. (For full benefits and conditions see policy itself)

1. In the event of Total and Permanent Disability before Age 60, the Company will pay to the insured the sum of \$100 a month so long as he remains thus disabled.
2. If the evidence is not conclusive as to permanency, but the insured is totally disabled and has been so disabled for 3 months the \$100 a month will be payable until recovery. THE DISABILITY INCOME WILL BE PAID FOR THE 3 MONTHS.
3. Delay in Submitting Proof will not diminish the total payable to the insured if he is still totally disabled when proofs are submitted. The policy provides that any disability income shall be payable "for each completed month from the commencement of and during the period of continuous total disability."
4. The Disability Provisions Remain Uncanceled after a recovery from disability. Whenever the insured furnishes proof that he has again become totally and presumably permanently disabled, the disability benefits are the same as if no prior disability had existed.
5. All Premiums Falling Due during such disability are waived, or if paid are refunded.
6. If a Premium Is Defaulted during such disability, the policy will be restored provided proof that such disability has continued for at least 3 months is received prior to six months after the lapse.
7. The Total and Irrevocable Loss of the Sight of Both Eyes or of the use of both hands or of both feet, or of one hand and one foot shall constitute total disability for life.
8. No Deduction Will Be Made from the insurance in the event of death because of any premiums waived or disability income paid.
9. At the Time of the Insured's Death, any disability benefit due and unpaid will be paid to the beneficiary.
10. Dividends are payable in full during such disability.
11. Full Loan Values are available to the insured, even during the period when the premiums are being waived and disability income is being paid.
12. If Death Occurs by Accident (within 90 days after the accident) the amount payable will be double the face of the policy; i. e., \$20,000. THE DOUBLE INDEMNITY BENEFIT is without age limit and is in full effect even though the insured, at the time of the accidental death, is receiving disability benefits.

### INCREASING DISABILITY BENEFIT

To certain Class "A" risks, for a moderate additional premium, the Company will grant increasing disability benefits as follows: On a \$10,000 policy the Company will pay \$100 a month for each completed month of the disability up to the end of five years, thereupon this income will be increased to \$150 a month for a second period of five years, after which the income will be increased to \$200 a month for life, so long as the insured remains totally disabled.

### DISABILITY TO AGE 65

Under two forms of policy the disability benefits become effective in event of disability before age 65. These two forms are "Endowment at age 65," and "Premiums to 65,"

### A NEW FEATURE IN ENDOWMENT POLICIES

If the insured is in receipt of disability benefits at the end of the Endowment period, such income will be continued so long as he is totally disabled, although the face of the policy is paid at the end of the Endowment period.

### OF SPECIAL INTEREST TO WOMEN

Insurance with disability benefit No. 1 may be offered up to \$2,500 to women, whether they be married or single.

New York Life Insurance Company  
346 Broadway, New York City

DARWIN P. KINGSLEY,  
President

# THE PEOPLES LIFE

## INSURANCE COMPANY

### ILLINOIS

When Lord Chesterfield said:

*"You must look into people  
as well as at them"—*

He succinctly restated a truth that has been recognized by men the world over since the beginning of time. "Looks are deceiving," "beauty is only skin deep" are twentieth century expressions reiterating and affirming Lord Chesterfield's justly famous saying.

A company, being made up of men, is a reflection of the composite character and thought of the men of that organization. When you are seeking a life insurance connection—look into the men who are identified with the Peoples Life of Illinois. You will find them the kind of folks you enjoy working with.



Peoples Life Building  
130 N. Wells St., Chicago

Lord Chesterfield (Philip Dormer Stanhope, fourth Earl of Chesterfield) was an English courtier, orator and wit, famous for his pointed sayings. He has often been called "the La Rochefaucauld of England." He was born in London, in 1694, and held many important political posts during his life which ended in 1773. His "Letters to His Son" were published soon after his death and have established for themselves a place of their own in English literature.



## CAPITAL AND INCOME

The best insurance for the protection of women and children is made payable in the form of an *income*. To leave *capital* to those who have had no experience in making investments is dangerous.

The value of capital depends on the way in which it is invested. A man may own broad tracts of land and think himself wealthy, but if it can't be sold and produces nothing his widow will be land poor; will be eaten up by taxes, and may have little to give her children to eat.

A man may own a country mansion in which he has invested hundreds of thousands of dollars, but his heirs may not be able to keep it up, and perhaps no purchaser can be found.

A man may leave his wife \$50,000 of insurance capital, but if she spends the money as if it were income, or if she loses it by investing it injudiciously, she may become impoverished.

The agents of the Equitable are charged to warn their clients of these dangers, and to explain that the insurance company—an expert investor of capital—stands ready to act as the guardian or financial agent of the beneficiary, and thus guarantee that the beneficiary will receive a fixed income that will be permanent, and cannot be dissipated, diminished or delayed.

The Equitable issues a variety of policies payable in the form of an income, including a *Life Income Policy* and a *Guaranteed Investment Policy*. The latter is new and provides a *very liberal income* to the policy holder's wife for life, and is then payable to her children for their support when their mother is no longer able to provide for them.

The Equitable is on the outlook for intelligent young men to offer income insurance to the people.

THE EQUITABLE LIFE ASSURANCE  
SOCIETY OF THE UNITED STATES



# The National Underwriter

## LIFE INSURANCE EDITION

Thirtieth Year, No. 23

CHICAGO, CINCINNATI, AND NEW YORK, FRIDAY, JUNE 4, 1926

\$3.00 Per Year, 15 Cents a Copy

### WIDESPREAD INTEREST IN DISABILITY CLAUSE

Underwriters and Actuaries Giving  
Constant Consideration to  
Its Intricacies

### IS HARD TO STANDARDIZE

As Shown in Recent Report, Newness  
and Variance in Experience Makes  
Data Unsatisfactory

In view of the recent publication of the disability insurance report by the committee of actuaries, recommending no changes in rates or rules on the basis of its report, interest in this question has been revived and greatly increased. It was one of the main subjects of discussion before the recent session of the Actuarial Society of America and this week will come up for discussion at the annual meeting of the American Institute of Actuaries. Actuaries and company officials throughout the country are giving this problem more consideration than any other life insurance question today. The need for some definite basis of operation is apparent, but thus far there seems to have been insufficient statistical information upon which to base any definite program.

#### Information Unsatisfactory

As pointed out by the committee of actuaries, the results of its investigation were generally unsatisfactory, due to shortness of experience, small numbers and lack of homogeneity. The disability clause as it is now written has been in operation but a few years and the companies have not yet begun to experience the full disability rate under it. Also, the form as written varies so in the different offices it is dangerous for the companies to draw any definite conclusion from a comparison of figures. Actuaries are still of the mind that the most valuable experience to use as a guide for disability underwriting is that within a single office, where actual comparisons may be made with classes of risks and age groups. In addition, all of the companies have not yet adopted a sufficiently definite rating basis to enable the records to show precisely the premium income and loss payments under this branch of the business.

#### Of Recent Development

The development of the disability clause in the life insurance policy has been so rapid and of such recent origin that the companies are not yet in a position to define their experience. It was just a few years ago that the waiver of premium was the only disability benefit granted by the life insurance companies and under this clause it was seldom that a company experienced a claim. Now, a large and increasing proportion of the business in this country is written with one or another of the disability clauses in effect and the policyholders are being educated to an appreciation of these benefits. Claims are increasing in number and size and it is seldom that a pol-

### COMMENTS ON CONTROL

#### SMITH OPPOSES STOCK SALE

Wisconsin Commissioner Advocates Nat-  
uralization of Company If Disposal  
of Ownership Is Found Desirable

MADISON, WIS., June 3.—In the annual report of the Wisconsin department, Commissioner W. Stanley Smith states that the purchase and control of life companies by syndicates or holding companies for the purpose of reinsurance or consolidation is becoming a specialty. He declares that one Wisconsin company, through stock control, has passed into the hands of interests in another state. Other Wisconsin companies have been approached by representatives of syndicates of other states. He declares that the interests of policyholders and their beneficiaries in a life insurance company should not be permitted under any circumstances to become the plaything or subject of exploitation of the promoter or speculator.

#### Advocates Mutualization

The commissioner said that no laws can be made too stringent to safeguard these interests and urgently recommended that whenever the stock control of a domestic life insurance company is proposed to be changed by purchase, a meeting of the policyholders be called to consider the redemption of the capital stock by the company and that each policyholder be permitted to vote on the question either in person or by mail, but not by proxy. He said that when such redemption by the company is voted, the company should be mutualized under such a system of representative government as will continue the control of the company in the power of its policyholders.

Commissioner Smith also commented on the tremendous growth of companies. He said that the need and importance of safeguarding the interests of policyholders and beneficiaries receives a special emphasis by reason of the stupendous growth of many companies, mentioning the recommendation of the superintendent of New York that the state be represented on each board of directors in the interest of policyholders. He declared that it may be well worth considering a more representative form of government to make the individual policyholder less dependent upon the state to safeguard his interests.

#### Sees Danger in Innovations

The dangers of innovations in life policies also came up for discussion. Commissioner Smith said that the rates for life insurance are determined with mathematical certainty because of the certainty of the happening which is insured, but that when this certain form of contract is permitted to be invaded by insurance of events that may or may not happen, dangers are invited which may undermine and weaken the certainty so

essential to the life policy. He said that while the large company may absorb losses on these innovations by means of its tremendous volume of assets, the smaller company which feels that it must emulate its larger competitor may court disaster. Mr. Smith declares that there are many who fear that the injection of innovations, such as group insurance with premium below net, salary deduction, wholesale insurance, non-medical, double indemnity, temporary and total disability, etc., is steering a course directly toward another investigation and housecleaning.

(Continued on page 10)

### ENJOYED LIVE SESSION

#### LIFE INSURANCE COUNSEL MET

Over 150 Gathered at White Sulphur  
Springs for Two-Day Spring  
Meeting

At the semi-annual meeting of the Association of Life Insurance Counsel, held at White Sulphur Springs, 150 counsel gathered for an enjoyable two-day session. The mornings were devoted to addresses and informal discussions and the afternoons to golf and other entertainment. During the business sessions there was one lively discussion over a resolution presented to the effect that counsel for member companies would not file suit against any other member company without first notifying the general counsel or other official of the company against whom the case is being brought. A spirited discussion followed the presentation of this resolution and it was finally withdrawn with the understanding that it could come up as a special order at the December meeting. The discussion was largely unfavorable towards the resolution, as the attorneys in most cases seemed to feel that the resolution was unnecessary, the members now co-operating towards amicable adjustment of claims, rather than instituting litigation without warning.

#### Interesting Discussions

A particularly interesting address was made by A. L. Brooks, general counsel for the Jefferson Standard Life, who told of the ideal relationship between counsel and company. The other papers were largely along more technical lines, giving consideration to questions of law and company practice. At this meeting the plan was started of having a discussion on each address led by a member who has had the opportunity to review the advanced copy of the speech and thus stimulate discussion and enhance interest in the question before the meeting.

The entertainment program was particularly enjoyable, the two afternoons being devoted to golf and the evenings to informal dinners. For the first evening an informal dinner was held at Elmhurst Farms, a few miles from the hotel, and on this occasion prizes, in the form of takeoffs, were presented to all participating in the golf tournament. On the second evening after the finals had been concluded in the golf match and the champions announced, the prizes were awarded to them, not in the form of a handsome golf set and traveling bag on exhibit at the convention, but in the form of toy reproductions of them.

essential to the life policy. He said that while the large company may absorb losses on these innovations by means of its tremendous volume of assets, the smaller company which feels that it must emulate its larger competitor may court disaster. Mr. Smith declares that there are many who fear that the injection of innovations, such as group insurance with premium below net, salary deduction, wholesale insurance, non-medical, double indemnity, temporary and total disability, etc., is steering a course directly toward another investigation and housecleaning.

### CONSERVATION SYSTEM DISCUSSED BY BUREAU

Final Action May Be Taken by  
Research Organization at New  
York Meeting

### VIEW AGENCY PROBLEMS

Company Executives Give Experience  
on Many Important Topics at  
St. Louis Conference

Whether the Life Insurance Sales Research Bureau shall establish a conservation system for use by the member companies probably will be decided at the New York gathering of that body June 10-12. The subject of conservation and the suggestion that the research organization take some definite steps towards its solution was broached at the spring conference of the bureau at St. Louis by W. J. Arnette of the Jefferson Standard Life.

#### Says Something Must Be Done

Mr. Arnette expressed the belief that the American public would not long tolerate the enormous waste prevailing in the life insurance business, and that something must be done immediately to conserve business. He expressed the belief that the majority of the smaller and medium sized companies would welcome some definite system for the conservation of business and would gladly pay the bureau for the installation of it.

Judging by the spontaneous applause that greeted his suggestion it was a subject close to the heart of more than one insurance executive in attendance at the conference.

#### Plan Text Book for Agents

Another matter brought to the attention of the conference that may be acted upon by the executive committee in time for final action at the New York City meeting was the suggestion that the bureau prepare a text book on insurance similar to the Managers' Manual for use by agents and others interested in insurance. If possible a volume would be worked out that could be used by prospects for insurance.

At the St. Louis conference many interesting angles on vital problems of the life insurance business were brought forward, discussed and analyzed. One impression that could not be missed is that the date of the floater star producer is passing. Insurance executive handling agency departments today look upon with suspicion the top-notch who is continually changing companies and several speakers before the conference expressed a decided preference for inexperienced men, preferring to train them in their own way to fit the special agency requirements of their companies.

#### Correspondence Courses for Agents

The subject of correspondence courses for agents came in for perhaps the most exhaustive discussion. In this

connection the outstanding facts were: That all insurance men, whether new or old agents, who took such courses and diligently applied themselves, produced more and cleaner business and gave the home office less details to worry about.

Surprisingly few agents actually complete such courses. The students obtain the text books, using them for reference libraries, but only about 20 per cent work for diplomas.

Correspondence courses should be terse and to the point; practical rather than theoretical, and supplemented by recognized works on insurance. Students should also be compelled to pay for their courses, being refunded the price when their paid-for business after graduation reached certain standards indicating that they had benefitted from the study.

#### Less School Days, More School Hours

That company schools whether at the home office or in the field should be confined to two or three weeks and given over entirely to studying the insurance business was the belief expressed by several speakers. And there is a decided drift in that direction.

The old practice of having the students study in the morning and sell in the afternoon is being discarded; experience being the students did not sell when away from the classrooms. The new plan of less school days and more school hours per day is finding favor with agency supervising officials and student agents.

The big outstanding fact concerning all schools, whether mail, home office or field, is that they can not replace the general agent or the branch manager. Their place is supplemental to the general agent and not a substitute for him.

#### For Fewer and Better Agents

On this general subject of training agents it may be tersely said that the consensus of those present apparently was that what the business needs is fewer and better agents; men who know the insurance business, the kind of policies they are selling and how to give the insurance buying public the kind of service that is required and demanded today.

A caution against the tendency to overemphasize the financial reward of life insurance production when interviewing prospective new agents at the expense of the heart appeal along lines of true service, was sounded by John W. Blevins, vice-president and manager of agencies of the Interstate Life & Accident.

But others apparently were not so idealistic, expressing the belief that insurance companies are merchandising a commodity and should proceed in their business along the same practical line as other industries, whether employing agents, mass advertising or otherwise.

#### Mass Advertising Plans

As to circularizing or mass advertising definite data as to results were lacking; few companies have analyzed the costs and business obtained so that final conclusions could be reached, but several instances were reported of individual agents obtaining very good results by taking advantage of the circularizing by their companies. However, much money may be thrown away in this form of advertising if a company does not watch results.

In this connection an interesting angle was that lists of professional men, such as doctors, lawyers, teachers, brokers, etc., are more productive of results than similar lists of mechanics, small merchants and persons in medium circumstances. The latter are not prone to grab offers of free pocketbooks and other bait appeals. Also that some sections of the country are more given to answering circulars than others, the northern states being the hardest to work under this plan and the south the easiest.

#### Finding and Hiring Agents

A discussion on "Home Office Responsibility in Finding and Hiring Agents

## HELD AGENCY MEETING

### MIDWEST LIFE CONVENTION

President Snell, John Marshall Holcombe, Jr., and Many Other Good Speakers on Program

Over 60 agents of the Midwest Life of Nebraska attended the agency convention held to celebrate the 20th year of the company's organization. The meetings were marked with an interest and enthusiasm on the part of the field men that was very gratifying to the company executives. President Snell gave a brief review of the history of the company, which he founded in May, 1906, the problems it encountered and solved and the situation at the present time. Mr. Snell said that it may be and often is entirely beneficial to consolidate companies where such combination does not imply removal of the companies from the districts they have been serving. He referred, he said, to the consolidation of mid-western companies, occupying much of the same field, but that where such consolidation involved selling out to an eastern company and removal of the center of activities to a distant point he was against it and did not believe it was for the interest of the companies or the business. The benefits of competition were greatest when big and little companies were in the field.

#### Holcombe Was Speaker

John Marshall Holcombe, Jr., of the Life Insurance Research Bureau, spoke on the loyalty of the agent to the company and gave his ideas of how best an agent may give his working time to its interests, which are his own interests. A. N. LaPorte, head of the Life Extension Institute, gave the story of that work and its application to the work of the agent. H. J. Kirschstein, Pacific coast general agent, was present with two of his men, Emil Rutzel of Santa Barbara and David Broadwell of Los Angeles, and discussed the social side of life insurance. Carl B. Newlon presented the program of the company from the agency standpoint, discussing the essential characteristics of successful insurance salesmen and with charts and figures showed how an agent may assure himself of an income. Other agents' problems were presented by men in the field.

President Snell and his wife were hosts to the agents and their wives at a picnic supper at their home, followed by stunts and dancing one evening, the convention closing with a banquet attended by 145 agents, their wives and home office employees. A feature of the evening was the presentation, as a surprise to President Snell, of applications for \$200,000 new insurance. Mrs. Snell was presented with a large bouquet of roses by the agents in attendance.

and Local Managers," led by W. H. Harrison, vice-president of the Atlantic Life, featured the conference. Some of the speakers on this subject were A. L. Dern of the Lincoln National; H. M. Leisure, Occidental Life; J. J. Shambaugh, president Des Moines Life & Annuity; J. J. Harrison, vice-president Home Life of Arkansas; J. A. Fulton, vice-president Continental Life of Delaware; Thurman W. Payne, Provident Life & Accident; O. J. Lacy, Minnesota Mutual; O. B. Jackman, assistant general sales manager Bankers Life of Iowa.

#### Four Steps in Education

Dr. C. J. Rockwell, former director of the division of life insurance salesmanship at the University of Pittsburgh, spoke on training agents. He brought out the fact that there are four distinct steps to be taken in educating a new agent—demonstration, trial, correction and repetition. His method is first to show the new man how it should be done, and then let him do it on the same

## LIBERALIZES POLICIES

### NEW NONCANCELLABLE FORM

Pacific Mutual Life Announces Several Features Now Added to Its "Non-Can" Disability Contracts

LOS ANGELES, CAL., June 2.—The Pacific Mutual Life has announced a new and liberalized form of noncancellable health and accident insurance policy. In making the announcement, the company states that it has made changes in this coverage slowly, as is necessary with new forms of insurance, but that the experience under the \$10,000,000 so far collected on noncancellable policies has justified the new departure.

#### Add Partial Clause

One of the chief changes in the new form is the inclusion of a partial disability clause and a hospital indemnity clause. Partial disabilities of one-half of the disability indemnity will be paid for partial disability, following total disability for which indemnity is payable, but in addition the policy provides that a period of total disability immediately following a period of partial disability will be covered in full, the elimination feature not being applied. The disability may then revert to partial and the partial insurance followed by total. Both kinds of disability will be covered and the elimination period will be applied only to the initial period of total disability. The aggregate period of partial disability in any period of continuous disability will be six months.

#### Hospital Indemnity Feature

Hospital indemnity of 25 percent of the monthly indemnity will be paid for hospital confinement up to three months and this indemnity is payable regardless of the elimination period. For a small additional annual premium, the hospital indemnity provision will be extended to pay 100 percent of the monthly indemnity for that portion of the hospital confinement which comes within the elimination period. This in reality makes the policy a "no elimination" form as far as disability resulting in hospital confinement is concerned.

The company has also made some changes in underwriting rules. The amount which will be written on any one risk is now shown in a definite schedule of proportions to the applicant's average earned monthly income. A new age limit has been established, the policy now providing for its expiration on its anniversary date nearest the policyholder's 60th birthday. The company is also withdrawing its two weeks' elimination form, now issuing only the one month, two months' and three months' elimination plan. The changes are effective June 30.

#### Used Coffin for Desk

Using a coffin for a desk for writing out an application for insurance for an undertaker was the novel experience of Dr. C. E. Schilling, medical director of the Ohio State Life, and an agent of the company a few days ago. While making a tour of western Ohio Dr. Schilling called on the agent, who told him of the undertaker's desire to take out insurance. Together they called on the undertaker and found him busy in his storeroom. After a few minutes' conversation the kind of policy was decided upon, all details arranged and the application was made out, a coffin being used as a desk. This is said to be the second time in his insurance career that Dr. Schilling has made out an insurance policy in the presence of an undertaker and a coffin.

sort of a prospect. After that it is necessary to point out the mistakes he has made and repeat the performance until he has mastered the fundamentals of selling policies in his own way.

## ISSUE WITH NEW YORK

### MINNESOTA RAISES QUESTION

Retaliatory Law Is Invoked Against the Fire Insurance Companies of the Empire State

While life insurance is not primarily concerned in the issue between the Minnesota and New York departments, yet there is a broad general question involved in which all companies are concerned. For some time many of the western and southern commissioners have resented what seemed to them to be an encroachment on their private preserves on part of the New York department. Under the New York law, fire and casualty companies are permitted to do certain lines of business. Companies chartered under some of the other states have provisions to do certain lines not authorized by the New York law for its own companies. The New York department has held therefore that these outside companies cannot write this business in New York or any other state if licensed in New York. While the New York department has not held that a company must change its charter it does require that the board of directors pass a resolution to the effect that the company will not write such a policy anywhere in the country.

#### Issue Arises in Minnesota

The New York department recently made such a requirement of the St. Paul Fire & Marine which was writing a multiform policy not permitted under the New York laws. Superintendent Beha of New York required that this policy be not written anywhere, including its home state. Evidently Commissioner Wells of Minnesota felt that New York was going too far and hence invoked the retaliatory statute requiring New York fire insurance companies to comply with the Minnesota laws as to investments, which prohibits ownership of industrial stocks. Many of the large fire companies own United States Steel, railroad and other industrial stocks.

#### Will Hold Conference

The two commissioners will have a conference at the forthcoming meeting of the executive committee of the Insurance Commissioners Convention at Chattanooga. There has been complaint on part of the outside commissioners to the effect that New York is trying to dominate the other states and dictate to companies what they shall do even in their home state. The New York department, however, contends that it is simply enforcing the New York laws and it had nothing to do with making them.

#### Banks Advertise Life Insurance

William S. Akin, who specializes on insurance and bank advertising in Indianapolis, says there is a good prospect that several of the trust companies and banks in Indianapolis will unite to run advertising in the local papers favoring insurance trusts. Much interest in the proposition has been aroused by the joint meeting held by the Indianapolis Association of Life Underwriters with the banks and trust companies Friday.

A big four-column advertisement was carried in the evening and morning Indianapolis daily papers Thursday and Friday by the banks and trust companies to attract attention to that meeting. It read:

"We believe in life insurance:

"Life insurance creates, builds and conserves estates. It assures family welfare, advancement and stability.

"We commend the life insurance trust to those who would assure to dependents the lasting benefits of life insurance. It assures protection that protects enduringly.

"Life Insurance—the greatest thing in the world."



## GIVES RADIO TALK ON "INCOME INSURANCE"

M. Albert Linton Speaks Over  
Station WFBM at  
Indianapolis

### POINTS TO FITTING NEEDS

Shows How Life Insurance Dollar Can  
Best Be Conserved for the  
Individual

INDIANAPOLIS, IND., June 2.—M. Albert Linton, vice-president of the Provident Mutual Life, while in Indianapolis last week made a radio talk over the local radio station WFBM on "Income Insurance." He said:

"How shall I receive the greatest possible value for each dollar I spend or invest? This is the question in which each one of us is vitally interested. This evening I shall briefly discuss it from the point of view of the life insurance dollar. How can you who may be listening in receive the greatest possible value for each dollar you invest in paying life insurance premiums?"

#### Needs Must Be Considered

"Consider first the needs of the average man with a family. Assuming that he is now earning an income with which to support his family he will naturally be interested in finding a way of continuing that income should he be called away by death or become totally disabled for any considerable length of time. Probably he will cast his thoughts forward to the day when his ability to earn a living will become impaired by increasing age. How can he now make sure that he will then have an income with which to make comfortable the old age of his wife and himself? The answers to these questions help us to judge whether or not a man is receiving the greatest possible value from the dollar he is investing in life insurance.

#### Should Have Definite Plan

"It is a mistake to buy life insurance without some definite plan. The day has gone by when you are likely to get the most value from your insurance dollar by buying only a policy providing for the payment of a cash sum to your wife or your estate. Of course, in the event of your death a certain amount of ready cash will be needed. There will probably be unpaid bills of various kinds to be met.

"Their amount will depend upon your individual circumstances. Whether they be \$1,000 or \$5,000 you are probably not carrying a bank balance large enough to meet these obligations in cash. It would probably be quite unwise for you to do so. Let the life insurance company furnish the cash to meet these obligations. To that end a certain amount of your life insurance should be payable in cash to your wife or to the executors or administrators of your estate.

"You may be one of the millions of Americans who with wisdom and foresight have borrowed money with which to build a home. Should you be taken away before the mortgage has been paid off a great hardship might be laid upon your loved ones. A life insurance policy carried for the specific purpose of lifting that mortgage may mean a great deal to the happiness of those dependent upon you. And the added cost may be equivalent merely to an increase of one or two percent in the rate of interest on the mortgage.

#### Should Protect Income

"We have but briefly mentioned the two most important reasons for carrying what we call lump sum life insur-

## DROPS "NON-CAN" FORM ORIGINATOR OF THE POLICY

Massachusetts Accident Will Discontinue Line Because Rates Are Inadequate to Set Up Reserves

BOSTON, June 2.—The Massachusetts Accident which originated and has made a special feature of a non-cancellable disability policy for the past few years, announces to its agents that it will suspend the issuance of this form. Secretary I. M. Hathaway of the company in a letter to agents states that "The actuary, who has been employed to figure the non-cancellable reserve, according to letter from the New York insurance department, has made his preliminary report. As a result, we find that our rates are inadequate to take care of the increased reserve." The announcement goes on to state that "to continue as at present would mean not only an initial but an increasing loss on each policy issued."

In consideration of the fact that refusal to consider an application might in some cases work an injustice and cause embarrassment to the agent, the company states it will, during June, carefully consider any case upon presentation of all the facts. Should a policy in such a case be issued there will be attached to it the rider providing for termination at age 60. The company accordingly states that its drive for non-cancellable business in June will be changed from non-cancellable to the regular line of commercial policies.

ance. What are the remaining needs of the family? Primarily an income which should enable your wife to maintain her home and educate the children should you be taken away. 'Income' is a word easily spoken but unfortunately not so easy to realize. Suppose you have \$10,000 of life insurance over and above your needs for ready cash, including a possible mortgage. Should you be taken away you would want that \$10,000 to provide a steady monthly income that would help your widow to maintain the family. Should it be left in her hands as a cash sum, do you think it likely that she would still be receiving an income from it in ten or fifteen years after you have faded out of the picture? Available statistics would seem to indicate that the chances are greatly against her.

#### Investment Factor Important

"The safe and successful investment of money is not an easy matter. Many men consider it unfair to thrust such responsibility upon their wives who, in the very nature of the case, are likely to be untrained in investment matters. How many and how tragic have been the losses sustained through the well meaning but unfortunate advice of relatives or friends or through the alluring prospects held out by unscrupulous promoters! Each year those losses run into hundreds, yes thousands of millions. Infinitely better is it to be safe as to principal and to accept somewhat smaller return than to strive for larger interest returns with the practical certainty of greater risk.

#### Buy Income Service

"This situation has led to the remarkable development of income service on the part of life insurance companies. Instead of having the \$10,000 paid in a lump sum you can leave it in the hands of the life insurance company and the company will pay a guaranteed income to your family in accordance with your directions. You may desire your wife to receive the income as long as she may live, with provision that if she should die within a certain number of years after the income had commenced it would be continued for a given period to the children. You may find that the income from the \$10,000 will not be sufficiently large if it is to be paid for the

## APPROVE PENSION FUND DELAY IN EFFECTING PLAN

Presbyterians Ready to Put Program in Operation, Though Too Few Are Yet in Line

BALTIMORE, June 2.—A \$15,000,000 pension plan fund to aid retired ministers of the denomination was approved here last week by the General Assembly of the Presbyterian Church of the United States. Speaking for the laymen's committee, which has charge of promoting the scheme, Chairman Will H. Hays reported that adoption of the plan is being delayed by the failure of ministers and churches to subscribe to it. Only 3,600 of the required minimum of 4,000 ministers and only 2,800 of the necessary 4,000 churches have thus far accepted it, but \$378,000 has already been subscribed by individuals without solicitation. All the money collected for the fund will go into the fund itself, Mr. Hays stated, for the expense of raising the money is being borne by Andrew W. Mellon, secretary of the treasury; Richard B. Mellon and William B. McKinley, members of the laymen's committee. President Edward D. Duffield of the Prudential, commissioner to the assembly from the New Jersey Synod, endorsed the pension fund plan, declaring that it had been carefully studied and commended by some of the most capable actuaries in the country. By the plan, a minister may retire at the age of 60 and is obliged to retire at 65. The amount of his pension is based upon his length of service and the average salary he has received during the last 30 years. The plan is to be financed by a yearly payment of 10 percent of the minister's salary, 7½ percent to be paid by the church and the remainder by the minister.

entire lifetime of your wife. You may wish to arrange for a larger income for a shorter period until, say, the education of the children shall have been completed. At that time you may feel that they should take up her support themselves. Assuming a fair rate of interest, \$10,000 will provide \$100 each month for about eleven years and four months and then it will be gone, both principal and interest.

#### Trust Funds an Aid

"In many instances where a substantial amount of insurance is involved, say \$10,000 or more above the amount required as ready cash, you can provide the maximum protection for your family by having the money paid to a financial institution as a trust company or a bank having a trust department. Many things can be accomplished through trust service that cannot be accomplished through the income service of the life insurance company. It is a large subject. At the Masonic Temple this evening it will be discussed by the life insurance and trust company men who are holding a joint meeting.

#### Income for Declining Years

"Another field for the income service of the life insurance company and of the trust company is in providing an income for you during your declining years. When a man gets to that point, he may become more and more separated from investment matters. It may become more and more hazardous for him to attempt to invest his life savings. Should he lose them it will be too late to make them up. Many a tragedy has thus occurred. Life insurance policies have been prepared to take care of old age in a manner that guarantees you and your wife an income as long as either may live. This, too, is a large and important service. It is designed to make men's dreams of old age come true; to

(CONTINUED ON NEXT PAGE)

## DECISION RENDERED IN RUSSIAN POLICY CASE

Holds Against New York Life by Finding Enactment Unconstitutional

### COMPANY WILL APPEAL

Is Important, as 500 Cases, Affecting \$130,000,000 Insurance, Will Be Affected

NEW YORK, June 2.—The appellate division of the supreme court has handed down a decision affecting \$130,000,000 of insurance in declaring unconstitutional two recent state enactments providing that all suits brought against American insurance companies on policies issued in Russia before the war could be stayed by mandatory action until 30 days after this country's recognition of a de jure Russian government.

#### Affects 500 Cases

This decision, which was made on a test case brought against the New York Life by Henry M. Sliosberg, will vitally affect about 500 other cases Russian plaintiffs plan to bring against the Equitable of New York and the New York Life, the only two American companies licensed to do business in Russia up until the time the Soviets took over their property.

In 1918 the Soviet government followed out its socialistic program by decreeing all insurance to be a state monopoly. The affairs of the companies were liquidated and in 1919 all insurance in private companies was declared cancelled by another order. On account of the action of the Soviets in confiscating their Russian assets, the American insurance companies were authorized in 1921 to remove their Russian liabilities from their books.

#### Complain of Soviet Actions

In the present test case the New York Life argued through its counsel, John Foster Dulles, that the suits were being brought for political reasons, declaring that the Soviet government had quite openly proclaimed its intention of using these suits to force recognition from the White House. While he contended that the Soviet government itself was pressing these claims on policies it had virtually taken over, Mr. Dulles declared it was difficult to defend these suits because it was almost impossible to prove the Soviets' direct and active participation in these actions brought in the name of individual policyholders. He pointed out, however, that many of them were in the hands of Charles Recht, counsel of the Soviet government in this country.

Attorneys for Mr. Sliosberg, who was an agent in Russia for the New York Life before the revolution and fled to Paris after the establishment of the Soviets, attacked the two acts recently passed at Albany on the ground that they violated both the federal and state constitutions because they impaired the obligation of contracts, deprived the plaintiff of property without due process of law, denied him the equal protection of the law, constituted a legislative encroachment upon the constitutional powers of the court and also an encroachment by the state legislature upon the international field reserved to the federal government.

#### Hold Enactments Void

All these contentions were upheld in the decision of the court which was written by Justice McAvoy and concurred in by Presiding Justice Clarke and Justices Finch and Wagner.

"It seems to us that this statute so indefinitely postpones a remedy upon the



plaintiff's contracts that it must be deemed unconstitutional in several aspects. But we rule primarily that it impairs the obligation of these contracts in their most important feature, for no contract can be held of any validity unless its enforcement can be carried on through the process which a government affords for compulsion of payment.

"The impairment of a remedy by statutory stay may be authorized for a limited period, or for a reasonable time. Reasonableness must include definiteness, if it is sought retroactively to restrain by legislative acts the enforcement of contracts entered into on a precise date, or those made prior thereto. The legislature by the enactment placed a limitation upon the right of any insured person who has insurance payable in Russian rubles or whose policy is or was to be performed in the former Russian Empire, until the happening of an uncertain event, and it thus abrogates the insured's rights under the contract to an immediate enforcement of his obligation without offer-

ing any substitute whatever for this diminution of his right."

The fight for the constitutionality of these two state enactments which were passed with the support of the state insurance department will be carried to the Court of Appeals by the New York Life, according to the present plans of the officials of the company.

#### LINTON IN RADIO TALK ON "INCOME INSURANCE" (CONT'D FROM PRECEDING PAGE)

insure that the sunset of life may be clear and unclouded.

"Finally, there can be had with the life insurance policy a provision that will pay you a monthly income and also pay all future premiums on the policy should you become totally disabled. The monthly income and the payment of the premiums will continue as long as your total disability may last, even though you should live to a ripe old age.

"All we have been able to do in these

few minutes has been to suggest a few of the things that can be accomplished through the means of life insurance. Are your present policies arranged to render you the greatest service of which they are capable? Are the beneficiary clauses properly drawn to meet your present needs? Do you know how much income the policies will provide for your family should you die or for you if you should live to old age? The answers to these and other questions which we have not time to consider determine whether you are receiving the greatest possible value from your life insurance dollar. Your life insurance advisor will be glad to help answer these questions. That is what he is for. Call upon him."

Guy French

Guy French has been appointed agency director in the Waterloo, Ia., branch office of the New York Life. Mr. French was formerly agency organizer at Topeka, Kans.

## POINTS TO ADVANTAGE OF MANAGERIAL PLAN

Agency Program Outlined by  
Vice-President Fulton of  
Continental

### PRESENT SYSTEM RAPPED

Shows Need of Arranging for Actual  
Management Instead of General  
Agents

ST. LOUIS, MO., June 2.—Sharp criticism of present agency methods now generally in use and a forceful presentation of the managerial system adopted by his company were made by Vice-President James A. Fulton of the Continental Life of Delaware, speaking before the meeting of the Life Insurance Sales Research Bureau here last week. Mr. Fulton pictured the plan now in use as putting the cart before the horse. He said, in part:

#### Cart Before the Horse

"It has occurred to me for a long time that in this question of training and assisting new agents, there has been a tendency to get the cart before the horse. There has been too much attention given to training the agent, and assisting the agent, and not enough to training and equipping the manager to train and assist the agent.

"All of us have seen fine company training plans and sales plans fall down completely because the key man in the situation, the manager or general agent, could not play his very necessary part in making the plans function. I have a very keen appreciation of the fine work done by the various life insurance schools, and yet I believe it would have been far better if we could have first had schools that would have trained managers, and later schools that trained agents. It does seem unsound to train agents and send them back to work day by day under the supervision of an untrained manager.

#### Company's Responsibility

"If, therefore, I had to define the company's primary responsibility to the new agent, I should say it was to provide him with a manager who has the time, the knowledge, and the equipment to give him the proper training and assistance. Too many new agents are deprived of the proper help because their manager or general agent never has the time to spend with him. His own agency contract is such that even given moderate success, it does not give him immediately a living income from his agency work alone. He is building up valuable renewal equities which will compensate him in the future, but that will not pay current bills. The result is that he must spend his time on personal production, and consequently even if he gets new agents he cannot give them adequate help.

"I should say, therefore, that the first step in providing an agent adequate help is to give his manager a contract which will provide him a living income immediately if he is reasonably successful, and therefore enable him to give his time to the new agent.

"Having done this, the manager should himself be given sufficient training to enable him to intelligently help his new agent. Finally, he should be given sales plans around which he can build the work of the new agent.

"All this, of course, is opinion. Now for the facts that are the basis for this opinion.

"The Continental is 18 years old. Until recently we operated in a very limited territory close to the home office.

## BUILDING *for* STRENGTH

*The Field says:*

"It is not the amount of insurance in force that makes a company strong. It is the wisdom, integrity and energy of its purpose and management that determines its strength."

(Insurance Field, May 7, 1926.)

THE CLEVELAND LIFE has avoided the dangers of over-expansion. Security to policyholders is first and paramount.

**Surplus to policyholders since 1920 has increased..... 192%**

**During the same period the Company's Assets increased 100%**

The Company's strong position is further shown by:

Net Legal Policy Reserves.....	\$ 5,467,166
Other Special Reserves .....	422,416
Surplus to Policyholders.....	834,141
Total Assets.....	6,723,723
Insurance in Force.....	37,259,193

The editorial writer quoted above might well have had THE CLEVELAND LIFE in mind.

## The CLEVELAND LIFE INSURANCE CO.

Wm. H. Hunt, President

CLEVELAND, OHIO



## *Don't Go Down for the Count!*

It may be good philosophy to come up smiling after taking one on the chin, but it is very probable that should a prize fighter subscribe to such dictum he would awake in time to hear the referee count ten.

This is not the first installment of a new guide to prize fighting, but just a way of telling you of another "why" of International Life success.

International Life men are never downed, and hence there is no reason for their not smiling at any time. They are never downed because they are fully equipped to meet successfully any competition.

We thought that you might be interested in knowing why International Life men are always smiling. There is no other excuse for this—except maybe to get you enrolled in the happy International Life family of agents.

# **International Life Insurance Co.**

**St. Louis, Missouri**

**W. K. WHITFIELD, President**

**DAVID W. HILL, Vice-President**

**W. F. GRANTGES, Vice-Pres. and Gen'l Mgr. Agents**



## IN MICHIGAN

**First—Banking  
Second—Automobiles  
Third—Insurance**

That is the standing of the three foremost commercial enterprises operating for the business and industrial advancement of Michigan. The position of the insurance business in Michigan's commercial activity may not be generally recognized.

Michigan has many high class, progressive, substantial and sound-principled corporations.

Included in this number is the Detroit Life Insurance Company, whose Home Office (on the corner of Park and Columbia), is the headquarters for the most loyal and energetic life insurance agency organization to be found anywhere in the State.

Any general agency desiring good life insurance affiliations which will assure prompt service from the Home Office, and reasonable contracts, or any high class part time man not now satisfactorily associated, is invited to write to President M. E. O'Brien, or his assistant, Homer Guck, 2210 Park Avenue, for further information.

**Detroit Life Insurance Company**  
Detroit, Michigan

The agency operation was largely managed by the home office. One or two men did some effective work in agency building, but the major part of the securing and training of new agents was done by the home office. This meant that our growth was largely limited to what could be accomplished by the home office staff. Realizing that this meant a slow growth, we determined two years ago to push the responsibility for agency development on to our general agents. We had a number of men who had general agency contracts, so we called them in and told them that we wanted them to devote their time to the hiring and training of new men.

"They readily assented to our plans. I began to give my time to looking for new general agents, and expected our old general agents to recruit new material, and, of course, nothing happened. They went right on writing personal business. They couldn't do anything else. They had to write business in order to live. I remember trying to show one general agent what a fine income he would have from his renewal equities, and other items, ten years hence. His answer was that his wife wanted a new winter coat and that if his life was going to be worth living, she had to have a new winter coat, and if I could persuade the store that sold coats to

wait ten years for their money until the nice income began to come in, he would devote his time to agency work.

### What Was Done

"Obviously our first problem was to work out an agency contract that would provide an adequate income for the man who was devoting his time to the building of an agency. The big task was to find and train men. The training period was largely in the first year of the new man's employment. We were not paying enough during this period, and were paying too much for supervision after the first year. We, therefore, definitely abandoned the general agency system, and adopted a manager's contract that paid three times as much compensation to the manager for securing and training the new man during the first year as he had received as a general agent. After the new agent has been in the employ of the company a year, the compensation to the manager is materially reduced. A further reduction is made at the end of the second year. We did this by taking future equities, and translating them into present value so as to give the manager a living compensation while he is doing the hard part of the job.

"In the long run we will pay no more than we were paying under the general agency system, but we are paying more of it when the job is being done and when the manager needs it, and must have it to live. In other words, we applied the same principle to agency work that is used in paying the agent; namely, a big first year compensation, and a smaller compensation in future years. The manager gets no extra compensation on his own business, being paid a regular agent's commission.

"The result of this method was that we could offer to those men who were genuinely interested in employing and training men, an opportunity to make money out of it quickly, and enabled them to actually spend their time training new men and still maintain their solvency. Having worked out what seemed to us to be a sound plan of compensation, we were next confronted with the task of training our managers.

### Teaching the New Manager

"Our men were largely without managerial experience. We had to teach them what we knew about hiring and training men if they were to give adequate help to their new agents. In doing this we adopted two methods.

"First and foremost, we go into the field and do it with them. Let me emphasize 'with them,' and not just 'for them.' The object is to teach them how to do the job so that before long they can do it without home office assistance. A home office man goes into their territory and helps them work out plans for finding new men. He interviews prospective agents with them. He helps the manager work out plans of work for the new man. He holds classes of instruction and sits down and works out difficult cases. All this is done with the manager, and with the idea that shortly he will be able to do the whole job himself. We believe the successful manager must be able to do the job himself, and with little home office assistance if he is to command the respect of his men. No home office man writes business with agents. That is a part of the job which the manager should and must be able to do himself.

"In addition to the visits by a home office man, we get the managers together at frequent intervals for round table conferences at which plans and problems are discussed.

### Sales Plans

"We place in the hands of each manager a group of sales plans to help the new man and old man get business, and keep him at work. Our experience seems to indicate that sound merchandising methods may be supplied to the sale of life insurance the same as to the sale of any other commodity. A description of these various sales plans is embodied in a loose leaf book which stays on the manager's desk. An agent may

# AMERICAN CENTRAL LIFE

**INSURANCE CO.  
INDIANAPOLIS**

ESTABLISHED 1899

HERBERT M. WOOLLEN, President



## Onward March—1925

### TOTAL OF PAID-FOR BUSINESS

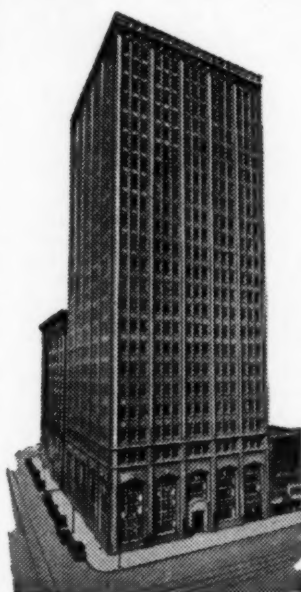
1924 - - - - \$134,242,954

1925 - - - - \$157,045,211

## BANKERS LIFE COMPANY

G. S. NOLLEN, President

DES MOINES, IOWA



HOME OFFICE  
F. & M. BANK BUILDING

## Builders

Our principal strong point is the will to give a service which will be appreciated by our own staff and respected by others.

Operating in the States of Texas and Oklahoma, the Home Office is able to render a type of personal service to Agents that is unbeatable. Writing all modern policy forms, the Company offers choice territory to Agents of ability.

Our records show that policies were issued on 79% of the applications during 1925 within three days after reaching the home office.

## Southern Union Life

OF

FORT WORTH, TEXAS

J. L. Mistrot  
President

Tom Poynor  
Vice-President

**SOUTHLAND LIFE INSURANCE COMPANY**

HOME OFFICE . . . . DALLAS, TEXAS

**HARRY L. SEAY, President**

**Over \$100,000,000 Insurance In Force**

Remunerative and pleasant agency connections available in Texas, Indiana, Tennessee and Minnesota are open to the right men. For information address

**CLARENCE E. LINZ, Vice Pres. and Treas.**  
DALLAS, TEXAS

## Write for Particulars

An old-line, mutual life insurance Company with headquarters in the East needs a General Agent for **Providence, Rhode Island**, and surrounding territory where they are now not actively represented.

The Company is strong financially, almost forty years old, and issues unusually attractive policy contracts. The man they want must be a good personal producer who can also organize his territory. The agency contract is extremely liberal and Home Office co-operation excellent.

Your communication will be treated as confidential.

Address S-44 care of this magazine

# INDIANAPOLIS LIFE INSURANCE COMPANY

## Growing Steadily

1905	\$325,000.00
1906	1,281,909.93
1907	2,158,315.62
1908	2,344,449.12
1909	3,037,135.59
1910	3,760,237.71
1911	4,451,264.48
1912	5,756,690.86
1913	7,011,554.27
1914	8,655,788.49
1915	10,231,921.21
1916	12,021,820.06
1917	13,665,053.54
1918	15,532,346.26
1919	20,456,374.44
1920	27,006,018.90
1921	31,275,345.88
1922	35,236,427.74
1923	40,882,131.98
1924	46,628,369.17
1925	54,432,038.01
1926	59,000,000.00

### FROM BEST'S INSURANCE REPORTS 1926

The Company is mutual, and is controlled by its policyholders. From the inception of the Company its methods of management have at all times merited commendation. The Company has had a moderate, steady growth. The ratio of net resources to liabilities is sufficient. The expense of management and the cost of new business is moderately low. The mortality rate is very favorable. Its investments are well selected, consisting mainly of mortgage loans, on real estate, and yield an excellent return. Its actuarial methods are sound. Death claims are promptly paid. The substantial dividends paid policyholders render the net cost of Insurance low.

### EXCEPTIONAL AGENCY OPPORTUNITIES IN

INDIANA, ILLINOIS, MICHIGAN, OHIO, TEXAS, IOWA,  
MINNESOTA and FLORIDA

FRANK P. MANLY  
President

Address  
or

JOE C. CAPERTON  
Agency Manager

select the plan that appeals to him, or the manager may select one and interest him in it. These plans help make sales, boost men out of slumps, and give direction to the work of both new and old men.

#### No Attempt at Control

"Control from the home office is ordinarily given as one of the advantages of the managerial system. We make no attempt to exercise this control. Our manager is manager in fact as well as in name. He determines for himself such questions as how much time he shall spend with the new agent, and whether he shall split commissions with them. We give him absolute authority, and hold him strictly accountable for results.

"Our general plan in helping our new agent is to do three things:

"Give his manager a contract that will enable him to devote his time exclusively to the securing and training of new men.

"Teach that manager all we know, or can find out, that will help him train his new agent.

"Place in the manager's hands adequate merchandising plans for use in helping the new agent actually get business.

"So far, our results are such as to make us feel that we are headed in the right direction."

### WIDESPREAD INTEREST IN DISABILITY CLAUSE

(CONTINUED FROM PAGE 3)

for which there was no experience to use as a guide. As the majority of the companies undertook this additional benefit about the same time and largely on a competitive basis, each had to look to itself for the establishment of rules and practices. While some steps have been taken to develop uniformity, that has been gradual and the actual experience of recent years has widely varied, according to the different forms written and practices adopted by the companies.

#### Experience Yet Undeveloped

Furthermore, it is pointed out by the actuaries that these life companies have not yet fully come into their normal experience, as the disability rate increases as the policy ages. The usual experience is that the second policy year shows a fairly large percentage of disability claims, followed by two years of reduced claims, the rate then increasing. Thus it would take at least six years for the companies to develop their full disability rates under this clause and few companies have had their present disability clauses in operation that long.

#### Strong Managerial Effect

Another point stressed in the report of the committee of actuaries was the fact that disability insurance fluctuates greatly and is as much a managerial problem as an actuarial problem. Life insurance is a matter of original selection and eventual maturity of the contract, but the disability benefit is a matter of perpetual selection. That is, there is selection at issue of the policy, again at the time of disability and still again in the event of recovery. The business is entirely a matter of selection. The actual experience may vary in different offices, according to the variation in managerial practice and the difference in leniency between the offices. This condition will always exist and will always make it difficult to make a true comparison with the experience of different companies for the companies as a whole, though even here the actuaries are hopeful that standardization will have an effect upon the interpretation of the disability clauses as well as their underwriting. Underwriters and actuaries are applying themselves diligently to the question and both individually and collectively are gathering all available data. The question is clearly to the fore among life insurance problems and a solution is being sought, both to improve underwriting conditions and to satisfy requests from supervising authorities.

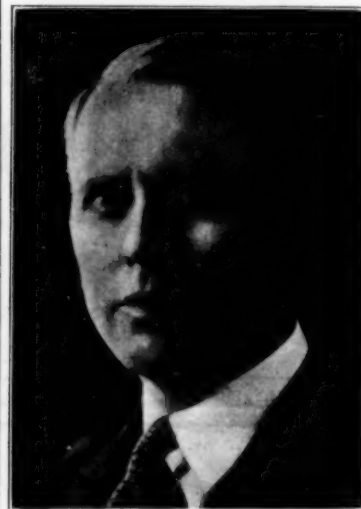
### AMERICAN CENTRAL HAD BIG CELEBRATION

Company Gives Recognition to its  
Passing \$200,000,000 Insurance in Force

### CONVENTION WAS HELD

Home Office and Field Men Were on  
the Program to Discuss Subjects  
of Interest

INDIANAPOLIS, IND., June 3.—More than 150 agents of the American Central Life of Indianapolis were guests of the company Monday and Tuesday in honor of the success of the campaign for \$200,000,000 of insurance in force. Attendance at the annual 500-mile race



HERBERT M. WOOLLEN  
President American Central Life

at the Indianapolis Motor Speedway Monday was the entertainment feature of the celebration.

The meeting proper was held Tuesday in the Palm room of the Claypool hotel, when talks were given by a number of agents, officials of the company, and prominent life men. Talks at the opening session were given by Edward A. Meyer, secretary of the company. Dr. Albert Seaton and Donald S. Morris, vice-president and trust officer of the Fletcher Savings and Trust Company. Addresses were also given by Frank L. Jones, president of the National Association of Life Underwriters, and Henry W. Buttolph, actuary of the company.

The afternoon session Tuesday opened with a luncheon, followed by talks by C. M. Heublein, Mansur B. Oakes, president of the Insurance Research and Review Service; Arthur MacMurray, dramatic director of Community Chautauqua; C. M. Burpee, J. R. Kendrick, W. E. Mullins, E. O. Tanner, R. W. Webster, T. B. Byran, J. E. Berg, and A. L. Davis. A banquet at the Claypool hotel closed the celebration.

In honor of attaining the \$200,000,000 mark, the American Central unveiled a bronze memorial tablet, especially designed for the occasion, and a companion piece to a similar tablet made at the time the company reached \$100,000,000.

#### President Woollen There

President Herbert M. Woollen of the company, who recently returned from a European trip with Mrs. Woollen, was present at the various sessions and held an informal reception in his office on Tuesday afternoon that he might meet



## Build Your Own Business

Under our general agency plan you are assisted in building a business that is yours without a single forfeiture even if you retire after four years' service.

Liberal policy contracts, with no surrender charge, and large annual dividends. A clean record of achievement never before equalled in the first twenty years of service.

Write now and tell us all about yourself in the first letter.

*The*  
**MIDLAND MUTUAL LIFE  
 INSURANCE COMPANY**

COLUMBUS, OHIO

Assets \$12,000,000

In force \$77,000,000

## FLORIDA

**M**UTUAL TRUST is now licensed in the state of Florida. Right now is the time to get in on the ground floor, so if you are qualified and want an agency of your own, don't lose any time in getting in touch with us.

Several general agencies are open in Florida. Remember an agency with Mutual Trust is backed by a Home Office agency staff made up of men who have gone "thru the mill" successfully. They know your problems and will help you solve them.

Don't take anybody's word for it—find out for yourself.

*Send for your copy of  
 "Driving Home the Facts"*

## MUTUAL TRUST LIFE INSURANCE COMPANY

CARL A. PETERSON, Vice President  
 A. E. WILDER, Director of Agencies

The Chicago Temple - Chicago

## THE ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

*Strong and Progressive*

Paid to Policyholders—  
 Over—\$21,000,000.00

Insurance in force as of  
 Dec. 31, 1925,  
 \$148,281,904.00

A. C. Tucker, President

D. C. Costello, Secretary Wm. Koch, Vice Pres.

*Watch  
 for the*

# Guardian!



## There's a Place for You—

out in California where you can write insurance for a Home Company among a progressive people under delightful weather conditions every day in the year.

If you are a clean, competent salesman of life insurance, bearing proper credentials, and desire to locate in Sunny California to produce business under an attractive agency contract, write now to M. F. Branch, Manager of Agencies.

## CALIFORNIA STATE LIFE

*J. Roy Kruse, President*

**SACRAMENTO**

## THE OLD LINE CEDAR RAPIDS LIFE INSURANCE CO.

*A Good Western Company*

Up-To-Date Policies      Liberal Contracts  
Good Opportunities in  
Iowa, South Dakota, Minnesota, Nebraska  
**Cedar Rapids**      **Iowa**

personally each of the company's leading producers.

Mr. Meyer, secretary of the company, extended a cordial welcome and gave some very interesting facts relating to the early history of the company. The company was organized immediately after the passage of the compulsory legal reserve deposit law by the state of Indiana in 1899. The first policy was written on the life of the organizer of the company, Charles A. Dark and was dated April 1, 1899. The company began business with \$137,000 of its authorized capital of \$200,000 subscribed and never needed to sell the remaining \$63,000 of stock to aid in its development. Mr. Meyer said that this was the only company to his knowledge that has attained considerable size which did not have to put on a heavy financing program after it was started. While it took twenty years to attain its first \$100,000,000 of insurance in force, it has taken but six years to get the second \$100,000,000. He referred to the fact that Herbert M. Woollen succeeded his father as president in 1912 and pointed out the growth that has been made during his administration.

### Outlines Trust Plans

Mr. Morris, in his talk on "Life Insurance Trusts and Trust Companies," clearly stated the growing tendency of life insurance representatives to work together with trust companies for the benefit of their clients. The mutual interests of these two important institutions, he said, are now being appreciated more than ever. Life insurance, he said, is the greatest single organized expression of American desire to get ahead in life and to make provision for dependents. Life insurance is a great cooperative savings bank with 40,000,000 depositors and \$75,000,000,000 of deposits, present and prospective. Savings banks, lacking the help of selling agents, gets nowhere compared with life insurance for conserving funds.

Because 90 percent of present life insurance is settled on the lump sum plan he said the service of trust companies is needed to prevent loss to widows and dependents. Ninety percent of lump sum settlements, he said, are dissipated on an average of seven years, according to statistics and nine-tenths of widows are dependent at the age of 65. He described the various forms of trust contracts that can be made with trust companies to administer life insurance estates.

### Cites Business Development

Frank L. Jones gave a very instructive talk on "Are You a Professional Life Underwriter?" Great progress is being made right now in getting life insurance established on a professional basis. "Life insurance is only 75 years old in this country," he said, "and we haven't had time to build up lore. Now we are in the midst of preparing text books and educational courses. A course is now in preparation in Philadelphia, he said, in connection with which he recently made a trip to that city, which will be offered to students by several universities and colleges next fall and which he predicts will be adopted by 75 or more educational institutions by a year from now. He also referred to a series of seven books now being prepared by Dr. Huebner, three of which are already in manuscript form, which will make a suitable treatise of life underwriting for use in higher educational institutions and which will not be designed to teach salesmanship but the science of life underwriting.

Dr. Seaton told of plans which the company is successfully following for conserving the health of its policyholders. An examination offer has been accepted by 20 percent of the policyholders to whom it has been presented, which, he says, is a greater percentage than has been the experience of other companies whose experience he knows. He attributed the success of the American Central plan to the good handling it received by the company's publicity department.

Henry W. Buttolph, actuary of the company, was the first speaker at the

afternoon session, his subject being "Added Protection for Insured and Beneficiary." He gave constructive suggestions for giving policyholders the best value for the life insurance investment.

He was followed by Mansur B. Oakes, president of the Insurance Research & Review Service, who gave an inspirational talk on "Automatic Success." He urged that a program for life be adopted and that certain ambitions be set for realization at fixed periods of life. Such a program creates a common interest in the family that is reflected favorably in an educational way and also for the inspiration of the head of the house. Mr. Oakes used charts which helped to visualize his points. He closed with an eloquent presentation of a sale of program insurance.

Arthur MacMurray, dramatic director of community chautauquas, gave a talk on "How to Say What You Have to Say in Selling," illustrating one of his points most cleverly by telling a story about one of his pupils who, it transpired, was Mr. Lungren, agency superintendent of the American Central.

### Heublein and Burpee Talk

C. M. Heublein, superintendent of the Chicago office, gave a helpful talk on "Participating vs. Non-Participating." C. M. Burpee of Indianapolis spoke briefly on "Writing Large Cases." An interesting fact was developed in this connection. Mr. Burpee had an application just ready to be signed for \$500,000 on the life of Raymond VanCamp, a prominent Indianapolis business man, who died suddenly on Monday of this week.

J. R. Kendrick spoke on "How I Use the A. S. B.," W. E. Mullins on "Value of Calls and Interviews," E. O. Tanner on "Lucky Dog," R. W. Webster on "Advantages of Using Word Pictures to Close the Sale," T. B. Ryan on "What We Owe to Our Clients," and J. E. Berg on "Closing the Sale by Implied Consent."

A banquet Tuesday evening closed the \$200,000,000 celebration. Insurance Commissioner Thomas S. McMurray, Jr., and Claris Adams, well-known insurance attorney, were the principal speakers.

### RALPH HOLTERHOFF RESIGNS

**Has Served the State Mutual Life at Cincinnati as General Agent for 16 Years**

Ralph Holterhoff, general agent for the past 16 years of the State Mutual Life in Cincinnati, has resigned as general agent and will hereafter give his entire time to personal production for the company. Mr. Holterhoff is president of the Cincinnati Life Underwriters Association and one of the leading insurance men of the city where he is widely and popularly known both within and outside the insurance business. He is prominent in politics and a member of the city charter committee which was responsible for the change in government in the city to the city manager system.

### Melson on Agency Tour

President E. P. Melson of the Continental Life of St. Louis has just returned from a trip to the agencies of the company located in the east. He immediately left for a tour of the agencies in the south. His trip east included a visit to the Baltimore agency under the supervision of George C. Lilly, which led all the agencies, of the company in production of new business during the 12 weeks 20th Anniversary Campaign which ended May 22.

While in the south, President Melson will personally compliment Reid N. Thomas of Florida, who was the largest personal producer in the same campaign with a mark of nearly \$500,000 to his credit.

## Quotations Are Given on Insurance Stocks

CHARLES SINCERE & CO. of Chicago have issued a bulletin of insurance stock quotations giving the current price on a number of stocks that are of interest. The list is as follows:

Western Group			
Stock	Par	Bid	Asked
Agricultural .....	50	35	40
American Bankers .....	2 1/2	2 1/2	3
American Drug. Fire .....	25	68	75
Central Life, Ill. ....	20	48	55
Chicago F. & M. ....	10	12 1/2	13 1/2
Chicago National Life .....	10	14	15
Columbian Nat'l Fire .....	25	19	22
Conservative Life, Ind. ....	10	5	7
Continental Assurance .....	10	46	51
Continental Casualty .....	10	37	40
Detroit Life .....	50	85	95
Detroit National Fire .....	25	19	22
Des Moines Life & An. ....	10	5	8
Dubuque Fire & Mar. ....	100	19	22
Farmers National Life .....	5	19	22
Federal Life .....	100	160	175
Federal Surety .....	100	160	175
General Casualty & Sur. ....	50	25	30
Grange Life .....	50	105	120
Great American Cas. ....	100	90	110
Great Lakes .....	10	13 1/2	15 1/2
Great Western Fire .....	20	5	10
International Life .....	25	63	68
Inter-Ocean Re-In. ....	100	20	25
Inter-State Fire .....	25	105	120
Iowa National Fire .....	100	25	30
Lincoln Casualty .....	25	15	20
Lincoln National Life .....	10	70	75
Marq. National Fire .....	10	3	7
Metropolitan-Hibernia .....	10	9	11
Midland Casualty .....	10	3	5
Milw. Mechanics .....	10	32	36
Missouri State Life .....	10	72	76
Mutual Life, Ill. ....	20	26	30
North Amer. Life .....	50	160	170
Northern States Life .....	10	13	15
Northw'n Cas. & Sur. ....	100	84	90
New World Life .....	10	11 1/2	13
Ohio National Life .....	10	18	20
Old Colony Life .....	10	9	11
Old Line Life .....	10	26	28
Peoria Life .....	10	36	40
Pioneer Fire .....	20	10	20
Presidential F. & M. ....	25	20	26
Providers Life .....	10	7	12
Security Life, Amer. ....	10	15	20
Southern Surety .....	100	200	220
Standard American Fire .....	25	20	26
Sterling Fire .....	10	12 1/2	13 1/2
St. Paul Fire & Marine .....	25	100	110
Union Central Life .....	20	13	15
Wisconsin Nat'l Life .....	10	13	15

### Has Lowest Lapse Ratio

The St. Louis agency of the Penn Mutual Life has been awarded the annual prize for having the lowest lapse and surrender rate of all the 100 agencies of the company. Its lapse ratio was less than one-fourth of the company's very low average. Fischer & Fischer are the St. Louis general agents for the company.

### Set Good Record

W. R. Thee, agent of the Guardian Life at Higginsville, Mo., recently wrote 77 applications for \$103,000 in one day. Mr. Thee is only 24 years old and has been a member of the Guardian field force for less than a year. This is not a world's record, however, as the largest number of applications written in one day is 150, written on April 19 by Achilles N. Sakellarides, general agent of the International Life at St. Louis.

### Secured Record Volume

Manly month, observed by the Indianapolis Life in May, was brought to a close last week at the country home of Frank P. Manly, president, with an entertainment and beefsteak dinner for agents and employees of the home office. May was the largest month in the history of the company. A total of \$610,000 of new business was written in Indianapolis, while business written in the eight states in which the company operates brought the total for the month to nearly \$3,000,000. The company now has \$60,000,000 of insurance in force.

### S. H. Birgel

S. H. Birgel has been appointed agency organizer in the clearing house branch of the N. Y. Life in Chicago, of which Robert W. Whitney, manager of the central department is also manager. Mr. Birgel has been cashier of the City Hall branch in Chicago.

# ILLINOIS LIFE INSURANCE CO.

CHICAGO

JAMES W. STEVENS, Founder

## The Ideal Agency Officer

THE ideal agency officer is one who knows his company from the ground up—thoroughly knows and has confidence in his superior and fellow officers, and having this information and this intimate acquaintance is willing to stand by that company and those officers just as loyally and steadfastly as though he himself was personally and solely responsible for every existing condition and every action taken.

He must be a sincere man, a man who in his dealings with agents has the ring of sincerity and fair dealing, showing equal favor to all and unequal opportunities to none.

He must be deeply appreciative of the difficulties which confront the man behind the rate-book, and from the well of his own practical experience and knowledge be able to counsel wisely and advise intelligently on all the multitude of big and petty problems and disputes which are forever coming up in an active agency organization.

He must be a man of quick and positive decisions, and his oral promise once given must be as binding as though reduced to writing.

He must be intimately acquainted, but not grossly familiar, with his agents.

He must be big enough to frankly acknowledge such mistakes as he may make, to take upon his own shoulders a great part of the blame for an agent's lack of success, and so constituted temperamentally as to be burdened without irritation with the thousand and one little complaints and troubles of the men who compose the agency organization.

In brief, the successful head of an agency department is the "Little Father" of the organization, and upon his patience, forbearance and good counsel, and the degree of respect and confidence he enjoys of the men under him, depends the success and the strength of the producing force.

From address of R. W. STEVENS, President,  
Illinois Life Insurance Co., Before Life  
Agency Officers Association, Chicago,  
November, 1925.

# Illinois Life Insurance Co.

CHICAGO

JAMES W. STEVENS, Founder

Greatest Illinois Company

1212 Lake Shore Drive

The Illinois Life is The Dean of the Illinois Legal Reserve Companies



## West Virginia

Are you ambitious—qualified to conduct a general agency—do you believe in men and purpose rather than mere bulk?

An Ohio Company, writing Life, Accident and Health Insurance, whose business has steadily increased ever since organization over 15 years ago, has a number of attractive general agency openings in West Virginia.

*Are you interested?  
Yes? Then address S-12  
for further information*

We have openings in Ala., Ark., Del., D. C., Fla., Ga., Ill., Ia., Kans., Md., Mich., Minn., N. M., N. C., Okla., S. D., W. Va. and Wyo.

### Our Agents Have A Wider Field— An Increased Opportunity

Because we have

Age Limits from 0 to 60.  
Policies for substantial amounts (up to \$5,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i. e. Annual, Semi-annual or quarterly premium plan.  
Participating and Non-Participating Policies.  
Same Rates for Males and Females.  
Double Indemnity and Total and Permanent Disability features for Males and Females alike.  
Standard and Substandard Risk Contracts, i. e. less work for nothing.

### THE OLD COLONY LIFE INSURANCE COMPANY OF CHICAGO

B. R. NUESKE, President

## OUR NINETY-FIRST BIRTHDAY

Ninety-one years ago, April 1, 1835, Massachusetts chartered the New England Mutual. This is the oldest Charter now existing.

The granting of this Charter had a vast significance, for it introduced a New Idea, which cleared the way for the present growth of Life Insurance.

THAT IDEA WAS MUTUALITY

**New England Mutual Life Insurance Company**  
of Boston, Massachusetts

## TRUST SERVICE URGED

### ANALYZED ESTATE PROBLEMS

Russell D. Beadle of American Life Gave Forceful Address in Kansas City

KANSAS CITY, MO., June 2.—Russell D. Beadle, secretary to the president of the American Life, making an address to the Chamber of Commerce here last Wednesday about "Estate Problems," held the audience intent for 30 minutes, talking business, real business. He did not mention life insurance throughout that whole period. Nobody would have suspected from his address that he had the slightest interest in life insurance, or that it had anything to do with his subject, and yet the most pleased men in the room, observing this omission, were life insurance men! For they saw that under the inexorable logic of the speaker's portrayal of facts and conditions, nobody who had anything to do with estates, as builders, trust officers, heirs, or in whatever capacity, could avoid seeing life insurance written as the next word.

Mr. Beadle talked about the relation between estates and assets, the property a man has, and what he leaves. He used a blackboard, writing "assets" in large letters, "estates" beneath. He canceled out common letters, leaving two "S's" in the top line, which stood for self and skill, the things the owner of the assets could not leave behind. There remained in the word "estate" the letters "T" and "E." These stood for taxes and expense. These were listed as seven in number, the burden on the estate, which the business man himself must foresee and consider in gauging the estate he wishes to leave, or thought he was leaving. The seven elements were debts, administration, transfer taxes, federal estate taxes, income taxes, inheritance taxes and local taxes.

Then he made his point. He bore down on it with eloquence and emphasis. "Take your prospective estate to a trust company, tell them what you want to see done, let them handle it." He urged the hearers to recognize the immense value of trust company service, at such low cost. He interposed also an injunction that every man should make a will.

### "Arrest Notice" Used to Bring in Volume of Contest Business

AN "arrest notice" was presented this week to every member of the Central Branch agency of the New York Life in Chicago by Manager J. A. Campbell, "calling them into court" on Tuesday to wind up the special drive in honor of Vice-President T. A. Buckner of the company. The unique notice, which is self-explanatory, reads as follows:

"You are hereby notified to appear before Honorable Judge J. A. C. of Central Branch at room 620, Tuesday, June 1, between the hours of 9:00 a. m. and 5:00 p. m., to answer to a charge of speeding to this meeting. Guilty persons (ones who bring in one or more applications are the guilty chaps) will be entitled to a handsome smoke for every application 'brot in,' but said guilty person must deliver application personally to obtain refreshments. Non-guilty chaps are hereby sentenced to 30 days in jail for not doing their duty for our Vice-President T. A. B. Remember this notice is noncancelable and can't be fixed. Walk up, gentlemen, and pay your fine Tuesday with an application for T. A. B."

The notice was complete in every detail, including "seal" and signatures of bailiffs and clerk of court.

### Morris Plan

The Morris Plan Insurance Society paid a quarterly dividend of 3 percent June 1 to holders of record as of May 25.

## GOOD SPEAKERS LISTED

### ADVERTISING PROGRAM SET

Details for Annual Session to Be Held at Philadelphia June 21-22 Announced

PHILADELPHIA, PA., June 2.—The program for the annual convention of the Insurance Advertising Conference, to be held here June 21-22, has been announced by President Edward A. Collins of the conference. The sessions will be held at the Benjamin Franklin hotel and will cover two days, with no entertainment features. General sessions will be held each afternoon, the mornings being devoted to group meetings of the fire, life and casualty interests. The program as announced by Mr. Collins is as follows:

### Monday Forenoon

"A Cooperative Insurance Advertising Campaign That Is Working"—Wallace Rogers, Hartford Fire, Chicago, chairman advertising committee of the Farm Insurance Association.

"Making the Most of Advertising Space You Buy"—W. Livingston Larned, vice-president the Ethridge Company, New York.

"Monkey Wrenches, Brass Tacks and Other Hardware"—Will C. Calkins, vice-president Calkins & Holden, Inc., New York.

### Monday Afternoon

At the luncheon George H. Harris, supervisor of field service, Sun Life of Canada, will speak on "The Advertiser—The Interpreter."

"It's There If You Go After It"—Clarence T. Hubbard, assistant secretary Automobile.

"Type and Type Layouts"—Gilbert P. Farrar, New York, author of "How Advertisements Are Built."

"Outstanding Features in Successful Agency Bulletins"—Mansur B. Oakes, President Insurance Research & Review Service, Indianapolis.

"It's the Follow-up That Counts"—Spencer Welton, vice-president Fidelity & Deposit.

### Tuesday Afternoon

"Blotters—An Expensive Habit, or a Selling Investment?"—Franklin Dorset, of Whittet & Shepperson, Richmond, Va.

"The Insurance Advertising Exhibit"—Thomas J. Mulvey, Dean Charles Morris Price School of Journalism and Advertising, Poor Richard Club, Philadelphia.

## ANDERSON'S AGENTS MEETING

Iowa Field Workers of the New England Mutual Life Had a Successful Gathering

Thirty-five Iowa agents of the New England Mutual Life were guests of State Agent Clarence Anderson of Des Moines for a three-day outing and convention held last week at the South Shore club, Clear Lake, Iowa. Four business sessions were held and were attended by the agents and their wives, the later being members of what the New England Mutual calls the "Priscilla" Club.

W. Frank Gentry, Kansas City general agent, and Daniel J. Glomset, chief examiner for the Des Moines general agency, were guests and principal speakers. At the close of the convention the Iowa Association of New England Mutual Agents elected as officers: President, Edward F. Bare, Jr., Cherokee; vice president, Ralph W. Fischbeck, Mason City; secretary-treasurer, Byron L. Hoschar, Seymour. The Iowa agency force pledged \$400,000 production in June.

### Two Qualify for New Jersey Post

F. Bruce Gerhart, Kirkwood, Mo., and Lawrence L. Stevens, Bedminster, N. J., successfully passed the civil service examination for the actuarialship of the New Jersey department, and either is eligible for appointment to the position which pays \$10,000 a year.

**HAS AMBITIOUS PLANS****WILL ERECT NEW BUILDING**

**Federal Reserve Life Plans to Put Up Large Structure in Kansas City, Kan., for Home Office**

KANSAS CITY, KAN., June 3.—The Federal Reserve Life last week bought a \$75,000 site on Seventh and Ann streets for the erection of a \$1,000,000 home office building. Stockholders of the company, by an action taken last January, authorized the directors to erect a \$1,000,000 building, but at that time it was uncertain whether the company would decide to remain in Kansas City, due to controversy with the state over a question of taxes. The suit enjoining the county commissioners from collecting taxes of \$35,000 for 1925 and \$35,000 for 1926 is now pending and the building program is being held up until a settlement is made. The proposed structure will be a 20-story building on a 142x133 site in the heart of the newer business district of the city.

With the buying of the new property, the Federal Reserve will sell the present building, located just across the street, to the Union National Life, a subsidiary of the Federal Reserve, according to President Gregory. The Federal Reserve Life Insurance company has grown rapidly since its founding in 1920. Two years after its establishment, the company built its present building at a cost of \$150,000. The proposed building will be the highest structure in the city. According to the postoffice, the company has the largest volume of mail handled for any one institution in the city, between 40,000 and 50,000 pieces of mail being sent and received by the mailing department of the company every day.

**Shenandoah Life Stock Advances**

Stock in the Shenandoah Life has advanced considerably in the last few days, having sold last week at \$35 a share, comparing with \$25 to \$27.50 for which the stock sold during the early part of the year. Even at the present high levels it is said that the stock can be obtained with difficulty. The par value is \$10 and on Jan. 1 of this year the book value of the shares was slightly above \$17. The Shenandoah Life was organized in Roanoke, Va., in 1914.

**Retires From Minnesota**

The Royal Union Life of Des Moines has withdrawn from Minnesota owing to the fact that it did not have sufficient business or strong enough organization to warrant the continued expense in the state. The management reached this decision last fall but inasmuch as the license ran to June 1 this year it took no action until May 10, when a formal resolution was adopted. Insurance Commissioner Wells was notified two days later of the decision. The agents' contracts were cancelled at once.

**Ohio State Life Campaign**

A \$5,000,000 campaign for new business in honor of D. F. Shafer, manager of the Mansfield agency, was started this week by the agents of the Ohio State Life. It will continue through June and July. The campaign is under the management of George Hayden of Newark, O.; G. Siefert of Marion, and L. A. High of Columbus. The campaign in honor of Mr. Shafer is in appreciation of his management of the recent campaign dedicated to President John M. Sarver of the Ohio State Life.

**Lincoln National to Increase Capital**

A general meeting of the stockholders of the Lincoln National Life will be held at Fort Wayne, Ind., June 14, to authorize an increase in the capital stock from \$1,000,000 to \$2,000,000 in accordance with the recommendation of the board of directors. It is planned to sell the new issue to stockholders at par.

**END SUCCESSFUL YEAR****GRADUATE INSURANCE CLASS**

**Spring Commencement Exercises of New York University Course June 4**

NEW YORK, June 3.—Graduation exercises for the spring class of the life insurance training course of New York University will be held June 4. A large number of alumni and members of the local insurance fraternity are expected to attend.

Director Griffin M. Lovelace and Ralph G. Engelsman have made the past year's course one of the most successful in the history of the school. For the first time a new course in inheritance taxation was offered by Leon Gilbert Simon and met with such immediate favor that two classes in the subject had to be established. During the year nearly 250 students were graduated and most of them are already active in the field.

Plans for next fall have been laid in anticipation of the largest and most successful year the course has yet enjoyed. The increasing number and the success of graduates of insurance schools throughout the country make it evident that this is the day of the life insurance man who has been trained and equipped to render scientific service.

**Construes Revenue Act**

Solicitor A. W. Gregg of the internal revenue department at Washington has construed section 213 of the revenue act of 1926 by ruling that where a 20-payment life policy is continued as participating insurance payable at death, the assured is liable for income tax only on such part of the proceeds received in the year of maturity as exceeds the aggregate premium paid. In the particular case a taxpayer exercised an optional settlement last year in his policy which provided for a cash dividend and continuation of the policy as paid up participating insurance payable at death.

**Russell Against Nullification**

"The wealthy man who can afford to buy real liquor from a bootlegger has no cause to complain if one of his workmen, by a similar process, but with less money, secures poisonous liquor and under its influence destroys the life of a member of the rich man's family in an automobile accident," declared Winslow Russell, vice-president of the Phoenix Mutual Life, before the Civic Safety League of New Britain, Conn.

This statement came out in an argument against the nullification principle, which he said leads to revolution, in a discussion of "Civic Safety and Law Enforcement."

"If an individual could remain alone and make no other contacts, no control of his actions would be needed," he asserted. "With the coming of each additional person, however, the problem of civic life and its proper control in the interest of all becomes more complex. That which pleases one may be harmful to his neighbor."

## HOW DOES THIS STRIKE YOU?

### THE GOLDEN RULE AGENT'S CONTRACT HAS BEEN REVISED AND IMPROVED

60% graded and one renewal right off the bat.  
5% extra for cash.

Bonus and additional renewals for volume.

Five renewals of 5% for a volume of \$25,000 paid personal production in any agency year.  
\$1.00 per thousand bonus and 10 renewals for \$50,000.  
\$2.00 per thousand bonus and 10 renewals for \$100,000.  
\$3.00 per thousand bonus and 15 renewals for \$300,000.  
\$4.00 per thousand bonus and 15 renewals for \$600,000.

#### Automatic Promotion—Vested Renewals—Unrestricted Territory and the Right to Appoint Other Agents

Their volume is combined with yours, and YOU receive the bonus and renewals for which you qualify and they fail to qualify on their business.

There is our whole wonderful agency proposition in a nutshell.

#### The Policies You Would Sell Are Equally Attractive

You have heard of PERFECTED ENDOWMENTS which are Ordinary Life with endowment additions and return the savings in addition to the face of the policy in the event of death. You should also investigate

#### The Preferred Risk \$5,000.00 Special

Ordinary Life—\$5,000—Age 35—Premium \$106.50  
Dividend \$17.25—First Year Net Cost—\$89.25  
or \$17.85 per thousand  
Contingent upon payment of the second premium

Compare our net cost with that of your favorite company or with Government Insurance. You have a surprise coming

AND THE END IS NOT YET!

## The Columbus Mutual Life Insurance Company

580 E. Broad Street

Columbus, Ohio

C. W. Brandon, President

D. E. Ball, Vice-President and Sec'y.

### We have opportunities for Agents in Arkansas, Illinois and Iowa

#### International Life & Trust Company

Home Office: MOLINE, ILLINOIS

## THE SECURITY LIFE INSURANCE CO. OF AMERICA

O. W. JOHNSON, PRESIDENT

WITH

Insurance in Force.....Over Fifty Million  
Assets.....Over Six Million

AND THAT HAS

Paid Policyholders since organization.....Five Million

WANTS—General Agents and Managers in 17 states

Contract—Commissions or commissions and expense allowance

Address S. W. GOSS, Vice-President, 134 N. La Salle St., Chicago, Ill.



## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. **EDWARD J. WOHLGEMUTH**, President; **JOHN F. WOHLGEMUTH**, Secretary; **H. E. WRIGHT** and **NORA VINCENT PAUL**, Vice-Presidents; **WILLIAM A. SCANLON**, Southwestern Manager; **FRANK W. BLAND**, **GEORGE C. ROEDING** and **O. E. SCHWARTZ**, Associate Managers.

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### Commissions Lost Through Lapses

THE FIDELITY MUTUAL LIFE "Field Man" in a recent issue calls attention to the commissions lost to agents through lapses. They are astonishingly large. The FIDELITY MUTUAL LIFE states that it recently saw a very careful analysis made of causes of lapsing. The outstanding cause is dissatisfaction resulting from high pressure salesmanship. The company states that this is borne out by the fact that a high percentage of the total number of lapses occur the first policy year. If an agent can get a policyholder beyond the second premium payment he feels comparatively safe. The first year lapse rate is said to be three times as great as for all the years following combined, a situation worth considering.

The FIDELITY MUTUAL declares that 80 percent of the lapses can be laid at the door of the agent. Poor salesmanship is probably back of most of the lapses. Speaking further the FIDELITY MUTUAL LIFE says:

"The up-to-date manufacturer or merchant knows to a penny how much it is worth a year to keep an average customer on his books. The figure is surprisingly large for most lines of business and in consequence such a business operating on up-to-date lines devotes something like 85 percent of its sales and advertising effort to old customers and

15 percent to new. We venture the assertion that these figures are just reversed by the average underwriter.

"But there are other aspects of this matter of lapses. Every policyholder who lapses feels a sense of loss and of resentment which extends not only to the company, but to you who were party to his contract. No one knows how far-reaching his influence to hurt your future business really is.

"The answer to all this is perfectly plain—and not at all new—but it bears repetition. Sell your prospect a true service of which he can recognize the value and exercise a reasonable amount of effort in keeping him sold. Maintain those human contacts from which friendship and confidence are engendered.

"If in spite of everything a lapse occurs, exert every effort to secure reinstatement—and do it promptly. Remember that a high percentage of all reinstatements occurs within the first month or six weeks following the lapse. After that the chances rapidly decrease. The rapid decrease in the chances of reinstatement has its origin not only in the difficulty of changing the mind of the prospect, but also in the fact that the possibility of his being uninsurable increases. Rejection in such cases also has its unfavorable influence upon new business."

### Great Army of Government Employees

IN connection with the recent conference of business interests at Washington, D. C., to protest against the further encroachment of the government on private enterprise it is interesting to read some of the statistics presented by Congressman **MARTIN L. DAVEY** of Ohio, who has introduced House Bill 4798 to enlarge temporarily the power of the President for the purpose of reorganizing the government service, providing for the removal of unnecessary and useless government employees, officials, divisions, bureaus and commissions and providing for the temporary appointment of an advisory reorganization bureau. The UNITED STATES CIVIL SERVICE COMMISSION shows that there were 544,671 civilian employees of the United States government Dec. 31, 1923. On June 30, 1925, there were 564,718, an increase of more than 20,000 in a year and a half.

Congressman **DAVEY** points out that the tendency is to increase rather than to diminish the personnel and expenses of the government. He feels that there could be saved at least \$500,000,000

through elimination of superfluous employees, bureaus, etc. Former Senator **ALDRICH**, who was chairman of the senate finance committee, in an address to the senate in February, 1910, declared that if he were a business man and could be permitted to do so, he would undertake to run the government for \$300,000,000 a year less than it was then operated.

The growing power of the government through the operation of a large number of employees, bureaus, divisions and commissions is one that certainly needs the attention of the people. The tendency is to extend the operations of the government, thus bringing into play more bureaus, more commissions, more employees. Mr. **DAVEY** believes that the work of the government can be reorganized, systematized so that 100,000 employees can be eliminated. This perhaps could not be done at once, but it is a goal worth shooting at. One way to stop additional tax burdens is to keep the government from further encroaching on activities of private business.

### PERSONAL GLIMPSES OF LIFE UNDERWRITERS

William D'Olier, father of **Col. Franklin D'Olier**, vice-president of the Prudential and past commander of the American Legion, died last Saturday at his home in Burlington, N. J. Born in Ireland 84 years ago, Mr. D'Olier was brought to this country when four years old. He is survived by three children.

"Manly Month," in honor of President **Frank P. Manly** of the Indianapolis Life whose birthday May 28 has caused that month to be dedicated to a special effort both in field and home office, closed with nearly \$3,000,000 of new business and established a new record for a single month. A remarkable feature of the event was the writing of approximately \$350,000 by the employees of the home office and the girls gave a fine account of themselves in this record. Indianapolis city agents and the home office force wrote over \$600,000. According to custom for some years past, Mr. and Mrs. Manly gave a birthday party on the afternoon and evening of May 28 at their summer home on the river north of Indianapolis to the home office force. A program of games and other events included baseball, potato and tandem races, baseball throwing contest, 30-yard dash for boys and girls and clay pigeon shooting, besides various swimming races. A beefsteak grill was presided over by Mr. Manly and Mrs. Manly supervised the serving. Joe Caperton then presented Mr. Manly with several hundred telegrams and birthday cards, chiefly from agents throughout the field.

In compliment to the birthday of **Clarence E. Linz**, vice-president and treasurer of the Southland Life of Dallas, agents of that company remembered Mr. Linz with a veritable flood of applications last week.

**Edwin Starkey**, vice-president of the Mid-Continent Life of Oklahoma City, has been elected director of the Oklahoma Club. He has been interested in the trade trips sponsored by the Chamber of Commerce and has done considerable work in the Jobbers and Manufacturers Club.

**Ira N. Thompson**, Bankers Life of Iowa in the Los Angeles agency, who resides at Santa Ana, Cal., has the distinction of having missed only two runnings of the Kentucky Derby in the 32 years in which that famous racing classic has been in existence. It is a long trek from Santa Ana to Louisville, but Mr. Thompson makes it every year to see the ponies flash under the wire at the Derby.

The week before the big Derby, Mr. Thompson expressed his faith in "Bubbling Over" to friends in Los Angeles. When the race was run the Californian was in a box at Louisville, but he has not disclosed whether he had enough faith in "Bubbling Over" to put any money on the Bradley colt.

**S. T. Whatley**, Chicago manager for the Aetna Life, is on a business trip to the home office this week.

**C. A. Terwilliger**, general agent of Mutual Trust Life at Blue Earth, Minn., was recently honored with a banquet celebrating the anniversary of his 15 years of service with the company. About 50 influential business men and Mutual Trust policyholders in the vicinity honored Mr. Terwilliger with their presence. **A. R. Slattengren**, secretary, and **A. E. Wilder**, director of agencies, represented the Mutual Trust's home office at the reception.

**Clifford McMillen**, home general agent at Milwaukee for the Northwestern Mutual Life, as active chairman of the Wisconsin Jefferson committee will aid in the national endeavor to preserve Monticello, the historic home of Thomas

Jefferson, prior to July 4, which marks the 150th anniversary of the signing of the Declaration of Independence and the 100th anniversary of the death of Thomas Jefferson.

Michigan's insurance department officials are rapidly gaining a place as radio stars. Following an initial insurance department program some time ago from station WKAR of the Michigan State College, a second request was received to broadcast a program of talks on subjects pertaining to departmental functions. This program was given Friday night of last week, with four department executives giving brief addresses. On the same night, from station WGHP of Detroit a paper by Commissioner **L. T. Hands** on "Fire Prevention for Farmers" was being read by **H. Kirby Angle**, another department employee.

The men who appeared on the WKAR program were: First Deputy Commissioner **Horace B. Corell**, Second Deputy **Ralph Wade**, Assistant Actuary **John Angerer**, Chief Fire Rater **William E. Goodman**. Mr. Goodman was unable to be present in person for the broadcasting but his paper was read by one of his associates. The talks included the following topics: "Automobile Insurance," "Agency Problems," "Life Insurance" and "Fire Rating." In his talk Second Deputy **Wade** paid tribute to the local agents and advised his hearers to patronize them rather than fall victim to the smooth lures of rate-cutters and "fly-by-night" insurance salesmen. He told of the campaign the Michigan department has waged to keep the state free from the depredations of the "Lloyds" companies recently formed in Chicago and of the arrest and jailing of one agent who peddled the illicit coverage in Michigan.

In his paper from the "rival" station, Commissioner **Hands** urged farmers to abandon the shingle roof if they would stop the greatest single factor making for disastrous farm fires. Protected stove pipes and chimneys and provision of good fire extinguishers were also advocated as steps toward reducing rural loss ratios.

**Mrs. Roland B. Flitcraft** is one of the women agents of the New York Life in Chicago. She is the wife of one of the editors of the "Life Insurance Courant." The New York Life bulletin states that Mrs. Flitcraft is meeting with fine success in her work, having passed the \$100,000 mark in eight months. She is the mother of two daughters, keeps her home going and in addition is a successful business woman.

**Wheeler Hayward Hall**, financial secretary of the Massachusetts Mutual Life, died suddenly of agina pectoris at the Hotel Biltmore, Providence, R. I., last week, while on his way to Block Island for a few days' rest. He was a native of Bridgeport, Conn., and after some experience in business as bookkeeper entered the actuarial department of the Massachusetts Mutual Life as a clerk in 1886. He completed his 40th year with the company this year. He was made chief accountant in 1899, assistant secretary in 1903 and secretary in 1908. Last January he was made financial secretary. He leaves a widow and daughter.

The **A. E. Patterson** Agency of the Equitable Life of New York in Chicago closed May with another record volume of new business, making this the third successive month it has established a new record. It paid for \$1,594,451, an increase over May last year of 49 percent. This is the largest month of any agency in the history of the company in Chicago. It called forth a special telegram of congratulations from **Frank H. Davis**, vice-president and superintendent of agencies at the home office. The rec-

ord of the agency is clearly shown by the figure for paid business to date this year, that being \$6,471,700, an increase over the first five months of 1925 of 33½ per cent. May closed with the largest week's business, except for one other week of regular business and one contest week, though no pressure was brought for extra business.

**J. H. Wood**, general agent for the Continental Life of St. Louis in Utah, was fatally injured in an automobile accident last week near Thistle Spanish Form Canyon, Utah. Mr. Wood was the oldest leading general agent for the Continental, having joined it more than 20 years ago. He had a splendid record for production during that long period.

Wayne Nowack, three year old son of Mr. and Mrs. **Bernard Nowack** of Des Moines, chewed and swallowed the business end of a fever thermometer last week. The youngster is being carefully watched by physicians but so far has shown no ill effects. Mr. Nowack, who is president of the Des Moines Life Underwriters association, said that the unusual feature of the affair was that he had an engagement with Dr. Lee Hill at the time he was called out on a case where a child had swallowed mercury. "Both of our boys had been ill for several days with colds and we had been giving them treatment," said Mr. Nowack. "I called my wife to caution her about the thermometer and was indeed surprised to learn that the call made by Dr. Hill was at my own home."

**Harrison S. Gill**, supervisor of applications and death claims of the Penn Mutual Life, died last week at his home in Wynnewood, Pa., after an illness of several months. He was 60 years old and had been in the employ of the company for 43 years. Mr. Gill began as an office boy in 1883 and rose to the position of registrar in 1898. In 1901 he was appointed supervisor of applications and death claims. Associated with the Spartan Building & Loan Association of Philadelphia, Mr. Gill was one of the best known building and loan men in the country, having been a pioneer in that field and always a leader.

#### LIFE AGENCY CHANGES

##### GOES WITH THE GIRARD LIFE

**Richard E. Blood** Joins **Emile Levy** as One of the State Managers at Chicago

**Richard E. Blood**, who has been connected with the Chicago office of the Alfred M. Best Company, has been appointed agency supervisor of the Girard Life of Philadelphia with **Emile Levy** at the Chicago office, 209 South State street. Mr. Blood has had a splendid life insurance experience, having formerly been connected with the West Coast Life of San Francisco as traveling auditor. Later he was agency director of the intermountain department, with headquarters at Salt Lake City. Then he was called to the home office to take charge of the bank depositors and savings department. He is a young man and ambitious. Mr. Blood will build up an agency organization for the Girard.

##### Young & Simon

**Young & Simon**, 341 Woodward building, Washington, D. C., have been appointed general agents of the Sun Life of Baltimore for Baltimore and the District of Columbia.

##### Cameron & Carroll

The Northwestern Mutual Life has announced the appointment of the **Cameron & Carroll** agency at Oshkosh, Wis., to succeed the **D. N. Cameron** general agency. **M. A. Carroll**, the new member of the firm, has been associated with the Northwestern Mutual Life for a number of years, starting at the home office and later going into agency work.

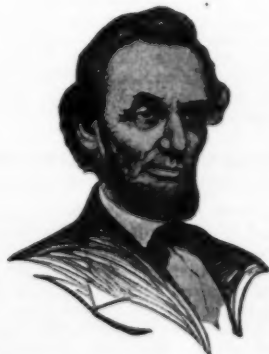
## We Don't Want Finnegans

We are not seeking the "off again, on again, gone again" type of agent.

We are building agencies upon a permanent basis. We want men who have an ambition to develop and who will stick on the job if properly supported. To these men we offer our whole-hearted co-operation.

Our circularizing system, field supervision, correspondence course, and Salary Savings System are definite helps toward the success of those who

LINK UP WITH THE LINCOLN



## The Lincoln National Life Insurance Company

"Its Name Indicates Its Character"

Lincoln Life Building Fort Wayne, Ind.

More Than \$400,000,000 In Force



For the past 14 years he has been a solicitor and an assistant to Mr. Cameron in the Oshkosh general agency.

#### John T. Taber

John T. Taber has been appointed organizer for the Western States Life at San Jose, Cal., in the H. Lester Archer Agency.

#### M. E. S. Posey and H. O. Hinton

M. E. S. Posey and H. O. Hinton, with offices at Ashland, Ky., have been appointed district managers of the Fidelity Mutual Life. Until recently Mr. Posey had been the executive agent of the Kentucky State Highway Commission and Mr. Hinton is a prominent business man of Lynch, having been associated with the United States Coal & Coke Co.

#### John J. Sullivan

John J. (Lefty) Sullivan, well known Chicago baseball pitcher and brother of

Vice-President John P. Sullivan of the Continental Life of St. Louis, has joined the agency organization of that company. In his first 15 days he wrote 19 appli-

cations for \$50,500. He formerly pitched for the Chicago White Sox but is now with a strong semi-professional organization in Chicago.

## EASTERN STATES ACTIVITIES

### SHOWS FEDERATION'S VALUE

#### William S. Diggs Addresses Pennsylvania Agents on Effect of Organized Effort

The value of the Insurance Federation in the perpetuation of the insurance business in all its branches was stressed by William S. Diggs of Hoover & Diggs of Pittsburgh, speaking before the annual meeting of the Pennsylvania Insurance Federation at Conneaut Lake, Pa., last week.

Mr. Diggs first told of the tremen-

dous importance of the insurance business in all walks of life. He said that not only is the United States the greatest insurance market in the world, its insurance being greater than that in all the rest of the world combined, but insurance is the second largest business in this country, being exceeded only by transportation on land and sea. Therefore, the insurance business is worthy of safeguarding and every available means of perpetuation and protection should be fostered and aided. Mr. Diggs then recited the history of insurance federations showing the origin in Ohio and the development of a very high degree of organization in Pennsylvania. He pointed out how these organizations had aided in bolstering up the insurance business and saving it from the inroads of paternalistic government control. He said that every man in the insurance business should be vitally interested in this and so bend his every effort into the Federation work.

Joseph C. William of New Castle was elected president, the other officers being: First vice-president, Frank D. Buser, Philadelphia; vice-presidents, Thomas B. Donaldson, Philadelphia; Walter G. McBlain, York; William Embery, Philadelphia; R. R. Helms, Reading; R. L. Rodgers, Erie; John Heathcote, Harrisburg; W. S. Palmer, Sharon; J. E. Parnell, Indiana; L. M. Stephens, Pittsburgh; J. Dallas Smith, Harrisburg; W. E. Quinlan, Pottsville; treasurer, John D. Pharaoh, Philadelphia; secretary, G. R. Dette, Philadelphia; chairman executive committee, John W. Donahue.

The meeting opened Thursday with J. C. Murray of Pittsburgh presiding, talks on the federation work occupying the morning. In the afternoon R. L. Rodgers of Erie presided at the joint session and then the convention divided into three conference groups, M. V. Hyde of New Castle presiding at the life session. F. W. Ries of Pittsburgh, general agent for the Canada Life, spoke on "Life Insurance Sales Methods."

Thomas B. Donaldson, former insurance commissioner of Pennsylvania and the sponsor of the advisory board plan, presided at the first session of the second day, which was a breakfast conference for members of the advisory board. Spencer M. Free of Bair & McCloskey of Greensburg, spoke for the life board.

The morning session on this day, which was presided over by Joseph R. Barr of Oil City, was largely devoted to casualty and fire insurance. The first part of the afternoon session was a joint session of all classes of insurance, with Howard J. Burridge of THE NATIONAL UNDERWRITER presiding. The latter part of the afternoon was given over to group sessions, E. M. Standley of Beaver Falls presiding over the life insurance conference. At this conference Walter G. Bain of York, general agents for the Mutual Life of New York, spoke on "Life Insurance Salesmanship."

#### West Virginia Against Non-Medical

The West Virginia department does not look with favor on the non-medical plan in the issuance of small life policies. The reason usually assigned that in rural districts the medical examination required puts the applicant to considerable trouble and expense in going to a doctor does not obtain, for all possible clients live near a doctor. In the coal operations, no matter how remote the mines, there is always a company doctor available. Now that good highways are being established, it is no task for a country resident to get to a doctor. The day of the saddlebag doctor is rapidly vanishing in West Virginia.

By enforcing this requirement on all

life companies, the department claims that those with smaller reserves have an even break.

#### Life Men Aid Charities Drive

E. W. Selvage of the Connecticut Mutual Life was captain of the life insurance team of the Buffalo joint charities drive which closed with a good percentage of its quota. Last year the life insurance men exceeded their quota by 23 percent and in fixing the quota for 1926 those in charge of the campaign fixed an amount which was 10 percent greater than the amount actually collected last year. The underwriters secured 106 percent of their 1926 quota, which proves again that the life insurance men "have a heart."

#### Claim Policy Taken When Insane

Claiming that Emma Stokes Pilling, now dead, was insane and legally incapable on July 5, 1923, when she paid \$39,000 to the Metropolitan Life for an annuity policy, the administratrix of her estate has brought a suit in Hartford claiming \$55,000 damages.

The complaint sets out that on Sept. 8, 1909, Emma M. Stokes, the mother of Mrs. Pilling, presented to probate court a complaint that her daughter was insane and on Sept. 15, 1909, the court ordered Mrs. Pilling committed to an institution at Westport. It is alleged that order has always remained in force and that during all the time Mrs. Pilling was of unsound mind and mentally incompetent and legally incapable of making disposition of her property.

Under the annuity policy the company agreed to pay to Mrs. Pilling during her lifetime semi-annual payments of \$1,886, commencing Jan. 5, 1924. She died before the first payment was due.

#### Simpson Agency Meeting

District and special agents of the P. W. Simpson agency of the Aetna Life for Indiana attended an all-day meeting in Indianapolis last week. Various problems of the field men were discussed, including methods of building up a clientele, and the selling of accident insurance. The principal address at the morning session was given by M. C. Thornton of New Albany, Ind., one of the leading agents of the Aetna in the entire country. Mr. Thornton writes and pays for more than \$1,000,000 of new business each year, and for the first five months of this year ranks fourth among all Aetna agents. Mansur B. Oakes, head of the Insurance Research & Review Service, was the speaker at the afternoon session.

#### French Has Fine Record

Francis O. French of the Louis Lane agency of the Equitable Life of New York made 702 interviews in 18 months. Out of these he wrote a little over \$700,000 life insurance. He averages \$1,000 of insurance per interview. Even in a record of this kind which on the face of it seems a big one, there were less than two interviews for each working day.

## PACIFIC COAST

#### Honor Record Breaker

The Equitable Life of Iowa has sent a handsome loving cup to Axel Dahlquist of Bellingham, Wash., who on Jan. 6 of this year broke the world's record for one day's business when he signed up 147 applicants for life insurance.

#### Reinsurance Life Has Coast Office

The Reinsurance Life of Des Moines has opened offices in San Francisco, naming Ralph R. Nelson as general agent, and will do a reinsurance business in life, accident and health.

#### Broadens Its Service

The West Coast Life announces that hereafter it will offer to its policyholders the services of the Life Extension Institute.

## Life Companies!

6% Real Estate Mortgages  
are a profitable investment

THE Irving National Mortgage Company, an experienced and conservative house, offers to insurance companies for investment an unusually attractive group of 6% First Mortgages which meet in every particular the requirements of insurance companies.

All of these mortgages are secured by First Mortgages on Improved Real Estate located on Chicago's Great Northwest side, a stable and flourishing section of the city. They are offered only after a most thorough investigation of the property and borrower and after receiving the approval of a loan committee composed of Real Estate men, Contractors and Bankers of wide experience.

This proposition is sound and awaits your investigation. We are confident that we can serve you to advantage.

## Irving National Mortgage Co.

Under National Bank Management

4201 Irving Park Blvd.

CHICAGO, ILLINOIS

Offices with

Albany Park National Bank Irving Park National Bank Portage Park National Bank

## Analyzing Success

A cross section of the 66th Annual Statement which shows, by growth, safety and low net cost, why the Guardian ranks as one of the strongest of the strong companies.

NEW BUSINESS, about 50% gain.....	\$ 66,857,528.00
INSURANCE IN FORCE, 16% gain.....	290,912,305.00
ADMITTED ASSETS .....	51,866,771.92
LIABILITIES .....	45,636,814.05
SURPLUS AND DIVIDEND FUND,	
13% of Liabilities.....	6,029,957.87
1926 DIVIDENDS SET ASIDE,	
25% increase .....	1,983,000.00

The Guardian is growing more rapidly than most old line companies, and in a way that offers unusual opportunities to men of the right calibre. For information, write T. LOUIS HANSEN, Vice-President

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA  
Founded 1880 under the Laws of the State of New York  
58 UNION SQUARE, NEW YORK

## IN THE MISSISSIPPI VALLEY

### WANTS REINSURERS LICENSED

**Commissioner Dumont Will Not Allow Contracts by Nebraska Companies With Non-Admitted Offices**

LINCOLN, NEB., June 2.—Under a ruling just made by Commissioner Dumont no insurance company organized under the laws of this state will hereafter be permitted to make or carry out any contracts of reinsurance of any part or all of its risks in any company that has not been legally admitted and authorized in Nebraska.

The commissioner says that the manifest intent of the law is that no insurance on property or lives in the state should ever be written except in companies that have been properly admitted or in such authorized companies as have complied with section 7762 of the code, which provides that upon payment of \$100 and the execution of a \$500 bond a person may be licensed to write risks in companies not licensed in the state. This section also provides a rigid system of reports and statements, being intended to cover brokers largely.

The fact that the state law requires the deposit of securities and the taking of other precautions to insure the collection of any judgment that may be obtained against a company is taken by the commissioner to mean that the legislature intended that full protection be given in every instance where a risk or life has been covered, and this intent must be carried out.

A reasonable time will be permitted for companies to make other reinsurance contracts or otherwise meet the provisions of the order, but in no case will the limit be later than Dec. 31 next.

The new order is a result of some unpleasant experiences. Mr. Dumont says there have been several where a non-Nebraska company not legally admitted carried 90 to 95 percent of certain risks reinsured with it by other companies and when total losses occurred, refused to make adequate settlement. This forced persons desiring to get legal redress, since they could not be sued in Nebraska, to go to some eastern city or even to a foreign country to bring the necessary proceeding.

### Johnson Wisconsin Commissioner

Olaf H. Johnson, for the past four years deputy insurance commissioner of Wisconsin, was on Wednesday appointed by Governor Blaine as commissioner of insurance. He succeeds W. Stanley Smith, who resigned June 1 to become a candidate for governor. Mr. Johnson was born in Wisconsin in 1893 and was educated in the common schools and at St. Olaf's College, Northfield, Minn. In 1922 he was elected state senator and in 1923 appointed deputy insurance commissioner. He will serve the unexpired term until next February.

### Raise Endowment Through Insurance

Endowment insurance is to be used by the newly formed Marquette University Endowment association to secure \$1,000,000 as a general endowment fund for Marquette University of Milwaukee. The association has been formed by lay members of the faculty and alumni for the purpose of raising the fund which will place the financial condition of the university on a permanently stable basis. The associates hopes to reach its goal of \$1,000,000 by having alumni and students take out 20-year endowment policies, payable to the university, on their own lives; and also by having larger policies taken out on the lives of some alumni and the premiums paid on these policies by groups who have selected the men to carry the policies. Those who take out policies may select the companies with which they wish to place the insurance.

### APPLICATION IS CONTRACT

**Kansas Supreme Court Compels Payment of First Premium After Form Is Filled Out and Signed**

TOPEKA, KAN., June 2.—An application for life insurance is a real contract and can be enforced in the Kansas courts. This was the ruling established by the Kansas supreme court in the litigation which brought the suspension from the practice of law for two years of Oscar E. Larnard of Lawrence. Harry K. Allen, special commissioner of the supreme court, recommended that Mr. Larnard be suspended.

Harold Hunter, an agent for the Liberty Life of Topeka, sold a policy to G. A. Bucheim of Lawrence. Mr. Bucheim filled out the application and gave a check for the premium to Mr. Hunter. Then he stopped payment on the check and refused to go to the medical examiner. Mr. Hunter brought a suit to collect the face of the check and employed Mr. Larnard to handle the case. The suit was successful in a justice court, the district court and the supreme court and Mr. Bucheim was ordered to pay the full amount of the first premium to Mr. Hunter. Mr. Larnard collected the judgment and the interest and then was ordered suspended from the practice of law in this state because he had failed to pay the amount of the judgment, less his attorney's fees, to Mr. Hunter.

### STOP FRAUDULENT PRACTICE

**Kansas Department Believes Most of Those Involved in Ring to Fleece Companies Are Under Arrest**

Superintendent Baker of Kansas believes that the government postal authorities have been able to catch most of those involved in the life insurance frauds which have been perpetrated in Kansas City, Kan., and Kansas City, Mo., for several years. The Kansas department has been conducting numerous investigations into alleged frauds in fra-

## Life Insurance in Force

December 31st, 1925

(Ordinary and Industrial)

**\$302,277,296.00**

Surplus Security to Policyholders

**\$3,745,630.90**

Conservative Progress Every Year. Operating From Coast to Coast, Canada to the Gulf, Cuba and Hawaiian Islands.

## AMERICAN NATIONAL INSURANCE COMPANY

Galveston, Texas

W. L. Moody, Jr.,  
President

Shearn Moody,  
Vice-President

W. J. Shaw,  
Secretary

## The GLOBE MUTUAL LIFE INSURANCE COMPANY

of CHICAGO, ILL.

Assets - - - - - \$1,500,000.00

"CLAIMS PAID ON SIGHT"

Paid to policyholders over \$1,050,000.00

The highest grade of service to policyholders and representatives

It Is the Last Word in  
SERVICE

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Home Office:

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## STATE MUTUAL LIFE ASSURANCE COMPANY

OF WORCESTER, MASSACHUSETTS

INCORPORATED 1844

The Company has recently introduced an exceptionally complete and practical

### EDUCATIONAL COURSE

for the use of its Agents and those who contemplate entering the life insurance business.

D. W. CARTER, Secretary

STEPHEN IRELAND, Superintendent of Agencies

B. H. WRIGHT, President



## George Washington Life Insurance Company

CHARLESTON, WEST VIRGINIA

HARRISON B. SMITH, President

presents opportunity for liberal contracts covering definite territory with Home Office registry and with power of appointment of sub-agents.

The States of West Virginia, Virginia, Ohio, Kentucky, Tennessee, South Carolina, North Carolina, Georgia, Michigan, Oklahoma and Washington.

Address

ERNEST C. MILAIR, Vice-President and Secretary



## Security—

When the Mutual Benefit was organized in 1845 there were only a few Life Insurance Companies in the United States. Through the Wars, Panics and Epidemics of all these years, it has always stood safe and secure as a foremost disciple of Pure Life Insurance.

### The Mutual Benefit Life Insurance Co. Newark, N. J.

Organized 1845

### Another Dividend Increase?

Yes, the fourth successive annual increase. A reflection of general prosperity and efficient management. Just part and parcel of our continuous effort to reduce cost while steadily improving a life insurance service that is at all times maintained in the front rank of quality. Nevertheless, we do not emphasize dividends. The more essential task for any company is to keep its policy contracts level with the public's needs, and to distribute enough of them that the economic affairs of the American people may be safeguarded and stabilized.

We invite men and women of high ideals, of industry, and intelligence to come and work with us upon this honorable and patriotic task.

### The Penn Mutual Life Insurance Company Philadelphia, Pa.

Organized 1847

If	If
Territory does make a difference	You are a producer
If	If
Close co-operation is necessary	You believe in yourself
If	If
A friendly interest is needed	You want a REAL job

Write or wire

S. M. CROSS, President

**COLUMBIA LIFE**  
INSURANCE COMPANY  
Cincinnati, Ohio

### LIFE INSURANCE COMPANY OF VIRGINIA

INCORPORATED 1871  
RICHMOND, VIRGINIA  
Issues the most liberal form of ORDINARY Policies  
from \$1,000.00 to \$100,000.00  
with premiums payable annually, semi-annually or quarterly  
and  
INDUSTRIAL Policies up to \$1,000.00  
with premiums payable weekly  
CONDITION ON DECEMBER 31, 1925

Assets	\$ 48,582,867.40
Liabilities	\$9,940,992.35
Capital and Surplus	6,622,575.15
Insurance in Force	\$92,534,191.00
Payments to Policyholders	\$ 3,265,156.75
Total Payments to Policyholders since Organization	\$ 39,175,571.91

JOHN G. WALKER, President

ternal insurance among the foreign element in Kansas City, Kan., for several years, but was not able to get sufficient information upon which to base actions that would enable the state to bring the operators back to Kansas, even though they lived just across the state line in Missouri. The information which the state had gathered and was unable to use because of legal technicalities was turned over to some of the old line life companies and to the post office inspectors some weeks ago and from it were developed the charges whereby five persons are already under arrest and several others are being sought for complicity in the alleged frauds. They are charged with using the mails to carry out their scheme to defraud the insurance companies.

The plan was first developed against the fraternal which have had a strong hold on the foreign element in the packing house and industrial districts of Kansas City, Kan. An application for insurance would be made for one man or woman and another man or woman, substituted to take the examination. The medical examiners, being chiefly Americans, were unable to distinguish names or features among the foreigners. The application always would be for some person whom the doctors had given up as incurable. The plan was first put into operation against the fraternal. Then the operators began working on the companies writing industrial insurance and in the last few months began taking out policies with the old line companies. When the death claims came in so quickly after a policy had been issued, the companies began their investigations.

#### Students Made Good Records

Students at the Rockwell school of life insurance salesmanship which was concluded in Des Moines last week, wrote in the nine weeks of the school almost \$1,000,000 of new business and a total of 383 policies. George W. Hughes of the Aetna led the field with \$92,650; D. M. Douglas was second with \$59,000, and George Pfanz third with \$46,000. Every student taking the course was required to write a certain volume to secure his diploma. The 65 graduates held a final banquet, entertaining their wives and members of the school faculty. In charge of the banquet were George Pfanz, the class president; W. D. Emery, vice-president; Miss Carrie M. Bell, secretary, and W. R. Wilkinson, treasurer. Dr. C. J. Rockwell delivered the address.

#### Iowa State Meeting

The Mutual Trust's agency force in Iowa has finished a state contest which was concluded with an Iowa state agency meeting and banquet at Des Moines. Dr. Chas. J. Rockwell, formerly of Carnegie Institute, was the foremost speaker on the program. Carl A. Peterson, vice-president, and A. E. Wilder, director of agencies of the Mutual Trust, were in attendance at the meeting.

#### Mielenz Agency Conference

Between 125 and 150 agents and their guests will attend the annual meeting of the \$100,000 Club of the Albert E.

Mielenz general agency of the Aetna Life to be held in Milwaukee this week. They will come from Mr. Mielenz's territory in Wisconsin and Upper Michigan. Mr. Mielenz will give the address of welcome and there will be an introduction of all attending. Dr. Cragon, medical director of the company from the home office, will address the group on "Non-Medical and Substandard Insurance." Speakers at the afternoon session will be W. H. Dallas, agency secretary at the home office, who will talk on "Life Insurance"; and M. L. Deaton, general agent at Des Moines, Ia., who has for his subject "Salary Budget." On the second day S. T. Whately, general agent at Chicago, will talk on "Business and Mortgage Insurance"; James Leonard, home office representative of the group department, Chicago, will talk on "Group Life Insurance"; Paul Watt, head of the group department at the Des Moines general agency, will speak on "Group Disability." The afternoon session will be devoted to accident and health problems. W. I. Morrow, who has charge of accident and health for the west at the home office, will speak on "Underwriting"; A. S. Graul, Chicago, on "Claims," and Thomas Keith of the home office, who is the company's expert on accident and health, will talk on "Production."

#### Travelers North Dakota Meeting

The North Dakota Agency of the Travelers, under the management of A. T. Lynner, held an agency meeting in Fargo, which about 25 agents from various sections of the state attended.

J. W. deForest of the agency department of the home office took part in the meeting and gave a very interesting talk, as did W. L. Droege, manager of the Minneapolis office, and L. N. Foster of the claim department at Minneapolis.

#### Show Big Gain

The Chicago branch of the Equitable Life of New York closed May with a record month, paying for \$6,531,000, a gain of \$500,000 for the month, as compared with May, 1925. This brings the total for the five months to a figure that is 18 percent over the five month period of last year. The A. E. Patterson Agency is again the leader, with \$1,504,000. The P. L. Girault Agency paid for \$865,000 and the P. B. Hobbs Agency paid for \$805,000.

#### Had Annual Meeting

The Chicago National Life of Chicago held its semi-annual meeting at the Hamilton Club May 28. A large number of general agents and agents were present. The month of June has been designated as "Johnson Month," in honor of A. E. Johnson, superintendent of agents. The quota set for this month was \$3,000,000. Lee D. Mathias, vice-president of the company, acted as toastmaster. Talks were made by various executives of the company. The meetings are held a few days before the start of the month that has been set aside to honor one of the selected executives and has proven successful in instilling the necessary enthusiasm to put over the quota. The meeting was followed in the evening by a theater party.

## IN THE SOUTH AND SOUTHWEST

### WEEMS' PRODUCTION RECORD

General Agent for Minnesota Mutual Life in Texas Is Top Notcher in Personal Work

Recently it was stated that the Texas state record for number of applications written in a single month was broken by Agent Price of Honey Grove, Tex. Attention is called by the Minnesota Mutual Life to the personal production of Sam R. Weems, general agent of the company

at Dallas. He shows for 1921 \$1,444,250; 1922, \$877,000; 1923, \$740,750; 1924, \$903,500; 1925, \$1,087,750.

The company's record discloses that for December, 1925, Mr. Weems submitted 123 applications for a total of \$267,250, 29 of which were on old policyholders for \$68,000. In January he produced \$181,000; February, \$129,250; March, \$177,250, and April, \$139,500.

#### Fred C. Neikirk Dead

Fred C. Neikirk, general agent at Richmond, Va., for the Kansas City Life,

died of cirrhosis of the liver at his home in that city last week. Though in failing health for several months, he was well enough to attend a district conference of his company's representatives at Charleston, W. Va., just a week before his death. He had been with the company since last fall. Previously he was with the Prudential for a year in Richmond. He was supervisor of the Virginia department of the Reliance Life in Richmond for five years before connecting with the Prudential. During the World War he served overseas as a captain of artillery with the 92nd division and was in the thick of the fighting on the western front for several months. Before the war he had a life insurance connection in Bluefield, W. Va.

#### Is Candidate for State Treasurer

Walter G. Brasher, state manager for the Manhattan Life in Arkansas, is a candidate for state treasurer, subject to action at the Democratic primary in August. Mr. Brasher was formerly railroad commissioner and has been county clerk of Yell county. Mr. Brasher's of-

fice has been moved from the Hall building to the Glover building, Little Rock.

#### Great American Enters Texas

The Great American Life of Hutchinson, Kan., has been licensed in Arkansas. It expects to establish a strong agency force in the state and to begin writing business immediately.

#### Adopt Group Life Plan

The Florida Blue Goose, an organization composed of fire insurance field men, had adopted a group life insurance plan. The Victory National Life of Tampa is handling the insurance. The company has already received 54 applications totaling \$223,500.

#### Read at Illinois Bankers' Hearing

Jesse G. Read, Oklahoma insurance commissioner, returned Saturday from attending a hearing on matters pertaining to the Illinois Bankers Life at Springfield, Ill. Before returning home he visited St. Louis, Jefferson City and Kansas City, Mo.

## IN THE ACCIDENT AND HEALTH FIELD

### STARTING A SERVICE BUREAU

#### The National Underwriter Is Now Prepared to Furnish Information to Accident and Health Companies

THE NATIONAL UNDERWRITER through its accident and health publications frequently receives requests for actuarial information on accident and health, information bearing on specific problems relating to advertising literature, organization of accident and health companies, underwriting problems, office management and field work, rates, policy forms for specific coverage.

These requests have become so frequent that it has been decided to start a special service in this field, employing the services of a man who has had 30 years' experience in the disability insurance field, a large part of it in disability insurance work. His work has been in the executive field and actuarial departments. He is himself an actuary.

The charges for this service will be based upon the specific information desired. It will, of course, be a reasonable charge depending upon just what is wanted.

Those sending in inquiries should be as specific and definite as possible so that the answer which will be sent may meet their needs as completely as possible.

Any one may direct inquiries to the Cincinnati office of THE NATIONAL UNDERWRITER and before furnishing the information the publication will write to the inquirer, giving you the fee to be charged for the work.

#### Integrity Mutual Failure

The Integrity Mutual Casualty of Chicago, which went into the hands of a receiver last week, did quite an extensive accident and health business. The failure was due to heavy losses of workmen's compensation insurance and the extra reserves that the company had to put up. It was a multiple line casualty company writing most of the casualty lines and surety bonds. The failure is one of the worst in a number of years.

#### To Write Accident Business

Thomas M. Searles, general agent for the life department of the Aetna Life at Memphis, Tenn., has also been appointed general agent for the accident and health lines with equal privileges with Morrison, Wallace & Co., having as territory all of Mississippi and a part of Tennessee. General Agent R. W. Cooley, who represents the Aetna Life in Rhode Island, has also been given general agency privileges for writing accident and health to be shared equally with the Providence branch office.

### TAKES OVER RAIL BUSINESS

#### Provident Life & Accident Reinsures Franchise Department of Standard Accident

CHATTANOOGA, TENN., June 2. —The Provident Life & Accident of this city has reinsured the railroad installment accident and health business of the Standard Accident of Detroit. The transfer of the business from Detroit to Chattanooga is now being carried out. This is the largest accident insurance deal for many years. The Standard had about \$500,000 railway installment premiums and the Provident Life & Accident had something like \$1,000,000. This will give it \$1,500,000 business in this department. The Provident Life & Accident will round out 1926 with about \$4,000,000 in total premiums in all departments. It writes life insurance as well as accident and health.

Harry C. Conley, manager of the Standard's railroad department, goes to the Provident and under the new arrangement will become joint manager of the Provident's railroad department with Harry R. Oliver. Mr. Conley will continue in charge of the business coming from the Standard. With him will come Assistant Eades and a number of the Standard's clerical force from the railroad department.

As a result of the deal, the territory of the Provident has been extended to cover Washington, Oregon, Minnesota, Montana, Iowa, Kansas and Michigan, where it has not operated before. This will increase its territory to 29 states. In the new territory it will organize its life and its regular accident department.

Upwards of 100 railroad lines on whose employees Provident accident and health policies will now be carried are involved in the transaction.

#### Have Elimination Riders

Both the Income Guaranty of South Bend and the New Amsterdam Casualty have announced elimination period rates applying to certain of their policies. These are the first elimination period riders and rates to be used by these companies. In its announcement to agents, the New Amsterdam Casualty says that the elimination period riders and rates are offered because increased rates for health insurance adopted three years ago failed to prove a corrective measure in the handling of this form of insurance. The effect of the higher rate was to bring about a selection of risks against the company. The New Amsterdam Casualty also emphasizes that an excessive number of small claims cov-

## Connecticut General News Hartford, Conn.

### The Public Has Asked Us About Annuities

A series of newspaper advertisements about annuities brought a higher percentage of inquiries than any others we have used.

The high yield of annuities, ranging at the later ages from 7% to 20% and even more, is attractive.

So is the safety of income and the annuitant's freedom from all investment responsibility.

Sell annuities. For full information address Connecticut General Life Insurance Company, Hartford, Conn.



## HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899

### PROTECTS THE ENTIRE FAMILY

Home Life Agents have a whole family of potential policyholders back of every door bell. Policies are issued on both industrial and ordinary plans from birth to sixty years next birthday.

"THERE IS NO PLACE LIKE THE HOME"  
"THERE IS NO COMPANY LIKE THE HOME"

INDEPENDENCE SQUARE PHILADELPHIA, PENNA.

## ALAMO LIFE INSURANCE COMPANY

Graham Dowdell, Pres.

A progressive up-to-date company with a program of expansion and growth.

All Texas is our field.

"The Fast Growing Company of the Southwest"

San Antonio, Texas

Do your fellow agent a good turn—get him acquainted with The National Underwriter, the real insurance newspaper.



# Your Prospect's Future is the same as your own

When you line him up for the policy he wants, and the policy he needs, you have made a staunch friend, and contented customers mean repeat orders in insurance as well as other lines of business. Sell this contract:

Any natural death.....\$5,000  
Any accidental death.....10,000  
Certain accidental deaths.....15,000  
Accident Benefits \$50 per WEEK.  
(Non-cancellable)  
Also Disability Income, Waiver of  
Premiums, etc.

## ALL IN ONE POLICY

You can see how worthy such a contract is in the hands of a progressive agent and we invite you to give serious consideration to the United Life "Policy You Can Sell."

There may be an opportunity in your town. Our Vice President, Eugene E. Reed, will tell you all about it. Write him direct . . . and directly.

## UNITED LIFE AND ACCIDENT INSURANCE COMPANY

Concord

New Hampshire

**Inquire!**

### DISTINCTIVE PROGRESS

"In great things, steady, consistent growth to meet the needs of the times, never slow, never hasty—always forward to accomplishment."

#### The Mutual Life Insurance Company of New York America's Oldest Legal Reserve Life Insurance Company

The record and progress of The Mutual Life have been distinctive, and the notable changes and developments now marking its history in meeting the requirements of increasing demand and a quickening growth are evolved from almost a century of experience and success.

Policy contracts completely revised in 1925. New contracts attractive in appearance, phrased in every-day language "easy to read," easy to understand and to construe. They contain all the old provisions justified by experience and all the new warranted by science and by the knowledge of experience. Improved Disability and Double Indemnity Benefits—under new provisions.

Salary Deduction (allotment) Plan of insurance now written by the Company. Children's Insurance now written on standard forms, ages 10 to 15. An increased Dividend scale in 1925—the sixth consecutive increase.

A majority of policy loans granted locally at Managing Agency Offices. The Company writes all standard forms of insurance. Same terms to men and women. Age limits, 10 to 70, inclusive.

A Company conservative for entire safety, but forward-looking and forward-moving in accord with the new spirit and new demand of the times.

Those who contemplate taking up field work are invited to apply to

#### THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

34 Nassau Street

New York City, New York

### GAINS IN 1925

Insurance in force.....	35%
Assets.....	14%
Surplus to Policyholders.....	21%
Income.....	50%

#### THE TOLEDO TRAVELERS LIFE INSURANCE COMPANY

TOLEDO, OHIO

Orson C. Norton, President

ering short periods of disability has been a chief factor in the unfavorable experience with health insurance.

#### Premium Gains Compared

Some interesting comparisons have been made by the Mutual Life of Illinois of the gains in accident and accident premium income shown in 1925 by the companies writing that class.

The total premium income of all companies writing accident and health insurance in the United States last year was \$192,446,454, approximately 10 percent more than that for 1924, which was \$175,397,675. Obviously the average gain in premium income for all companies was approximately 10 percent. This being true it would be expected that the greater percent of the companies would show a gain of approximately 10 percent. Such was not the case, however, since of the 120 companies with a premium income of over \$100,000 listed in the Argus Casualty Chart for 1925, 45, or more than 37 percent, showed a loss of income in 1925 over 1924. Fifty-three of these 120 companies showed a gain of less than 10 percent, which means that 98 out of the 120, or approximately 82 percent of the companies listed, showed a loss or gain of less than 10 percent, leaving 22 or 18 percent showing a gain of more than 10 percent.

There are 29 companies listed with premium incomes of between \$300,000 and \$500,000. Ten of these, or approximately 35 percent showed a loss in income, ten more showed a gain of less than 10 percent, which gives 20 com-

panies, or more than 70 percent of this group, as showing a loss or a gain of less than 10 percent. Incidentally, there were nine of the 29 companies, or less than 30 percent, that showed a gain of more than 10 percent. Only four showed a gain of 25 percent or more. The Mutual Life is in this select list.

#### Report Good Gains

The North American Accident has brought to a close its anniversary production campaign, which is an annual event in May and shows an excellent increase over last year's business, even though last year showed a notable gain over that of the previous year. The company's business so far this year is well ahead of the 1925 business and all previous years. A special campaign was carried on in April in honor of the birthday of President A. E. Forrest and the anniversary campaign in May has continued the business at a record pace. The company reports an increase in the loss ratio to counteract the premium increase somewhat, the accident and health business having experienced a much heavier spring loss than in 1925. The "flu" claims during the early spring weeks, small individually, were large in the aggregate and have resulted in a heavy loss ratio.

The North American Accident is working out the readjustment and strengthening of its agency force throughout the country and a number of general agents have been named in many sections of the country. The company still has some territories where it is desirous of locating general agencies.

### NEWS OF LOCAL ASSOCIATIONS

#### ANNOUNCE NEW YORK SLATE

Nominations Made for Life Underwriters to Be Voted on June 8 at Annual Meeting

NEW YORK, June 3.—The annual meeting of the Life Underwriters Association of New York will be held at noon June 8, when an amendment increasing the executive committee from 12 to 15 members will be voted on and officers for the ensuing year elected.

The following names have been offered by the nominating committee: W. R. Collins, Travelers, president; Harry Gardiner, John Hancock, first vice-president; J. Elliott Hall, Penn Mutual, second vice-president; Joseph P. W. Harty, Mutual Life, third vice-president; William J. Carroll, Jr., Berkshire, secretary-treasurer.

Philadelphia.—Five local home office executives, and P. M. Fraser, general agent of the Connecticut Mutual in New York City, were scheduled as speakers at the annual meeting of the Philadelphia association Thursday evening. General Agent Fraser announced as his topic "Our Job—Its Opportunities." The other speakers listed were William A. Law, president Penn Mutual; Asa Wing, president Provident Mutual; Walter Le Mar Talbot, president Fidelity Mutual, Clifton Maloney, president Philadelphia Life, and A. J. Short, secretary and second vice-president Girard Life. Addresses also were made by Frederick G. Pierce, retiring president, and Albert B. Kelley, elected president for the coming year, at this meeting.

Buffalo, N. Y.—The attendance at the annual meeting of the Buffalo association was nearly 100 percent, one of the most outstanding indications of the keen interest in the meeting, particularly in the amendments to the by-laws, which were voted on and passed, and also the decision on appointment of an executive secretary. Growth of the Buffalo organization is assured. Charles F. Pierce, manager of the Phoenix Mutual Life, who was elected president, succeeding Sidney Wertimer, believes that the present membership will be practically doubled.

With appointment of an executive secretary, offices and headquarters will be opened. The secretary will appoint his staff of workers so that the best possible service can be rendered the organization members.

It was announced that the summer school under the management of the Buffalo association will start June 10.

Dr. Griffin M. Lovelace will direct the school. Classes will be held Thursday, Friday and Saturday mornings. The course will run nine weeks.

Pontiac, Mich.—Election of officers for the coming year marked the meeting last week of the Pontiac association. Charles F. Durrant was elected president; George Morse, first vice-president; F. P. Tittsworth, second vice; William Pipe, secretary, and Morris J. Malarney, treasurer. The annual picnic was set for June 10.

Altoona, Pa.—At the annual meeting of the Altoona association officers were elected for the coming year. In addition to the business session an address was delivered by William S. Maarsen of the New York office of the A. W. Shaw Company, who spoke on salesmanship as it relates to the insurance business.

Officers elected were: President, Anthony A. McNelis, Equitable Life of New York; vice-president, David Hawkins, Prudential, secretary-treasurer, Harry Scholl, Equitable Life (reelected).

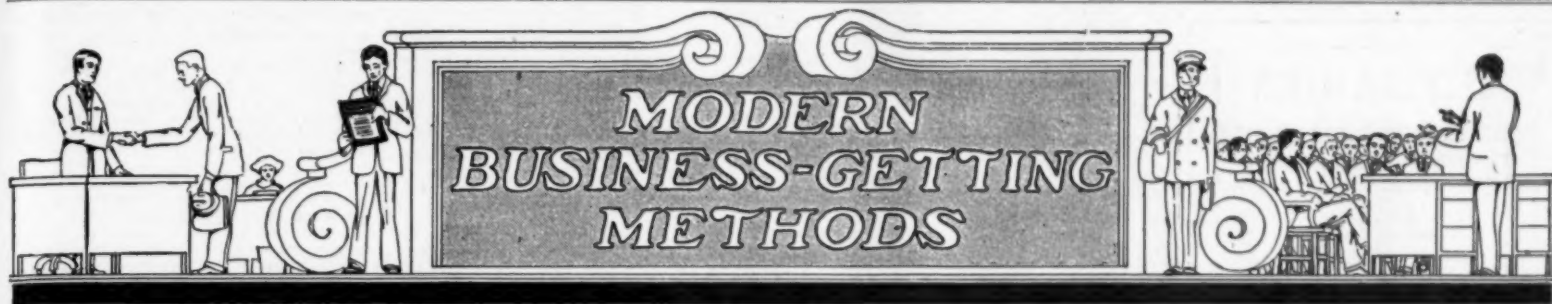
Des Moines.—The Des Moines association will hold its annual election of officers and business meeting June 5. The association is about to close the most successful business year in its history and at this week's meeting will adopt a program of activities for the next year that will eclipse any of the past.

Charleston, W. Va.—The board of directors of the Charleston Association of Life Underwriters has appointed L. E. Huffman, manager of the Aetna Life, president, to fill the vacancy caused by the sudden call from the home office for E. T. Stump, local manager of the Metropolitan Life, to take over the Akron, O., district. Mr. Stump has been in Charleston only 20 months, having come from Akron, where he was assistant manager for five years. He has been with the Metropolitan for 16 years and now goes back to a district which he knows well. S. O. Feaster, manager at Fairmont, W. Va., succeeds him here.

#### Mutual Life

The increasing demand of the public for larger double indemnity benefit policies has led the Mutual Life of New York to increase its limit on such policies from \$25,000 to \$50,000. This new regulation went into effect May 27 and will allow agents to provide the broadest sort of coverage of this type.

The Nixon-Mitchener Company of Marlanna, Ark., has taken a local agency of the Missouri State Life. Hugh C. Nixon, who recently acquired an interest in the business of the Nixon-Mitchener Company, will have charge of the life and casualty department.



## Each Life Underwriter Must Develop His Own Sales Method, Best Suited to His Individual Tastes and Character

BY JOSEPH J. DEVNEY, Cleveland

A FEW years ago I met a friend one day about the last of July who told me he had written \$27,000 during the month and was feeling pretty good over it. I congratulated him and told him I had had a fairly good month myself, having written \$54,000. "But," I added, "a man over at the office wrote \$200,000 this month and I presume Rosen wrote \$2,000,000."

### Difference in Production Is Due Only to Salesmanship

This little incident contains some food for thought. My friend probably writes around \$200,000 a year, but Rosen one year wrote \$40,000,000, 200 times as much. Why should there be such great disparity in results? Was Mr. Rosen 200 times a smarter, bigger, better man? No. The big difference does not lie so much in men as in methods when it comes to salesmanship. There is considerable comfort in this thought. While all of us cannot be super-men,

there are no patents on sales methods and they are not secrets.

### Men Fail Because They Do Not Have Right Methods

That methods rather than men are the big factor in successful salesmanship is evidenced by the fact that great numbers quit the work each year because they have failed to make good. Many of these are neither shirkers nor dummies. They are real men who have potential ability, but they did not find and use the right methods.

Of those who remain in the work year after year, a large percentage are only partially efficient. Did it ever occur to you that you might belong to this class without knowing it? That you may be capable of producing two or three times as much business as you do? You may be working hard to write \$150,000 when you might be doing twice as much with the same effort. Or you may be producing \$500,000, while you

are capable of making the millionaire class.

### Discovery of Weakness Greatly Increased Production

I recall an underwriter who for years produced from \$200,000 to \$300,000 annually. Then something happened; he made a discovery and ever since he has written over \$1,000,000 a year with apparently no greater effort. He found his weakness and overcame it. This is by no means an isolated case. It has happened time and again. It may happen to you. If you find and eliminate the weak features of your work, you too will forge ahead.

Any man of average intelligence who applies himself should write a lot of life insurance, if he works right. But a salesman is like an auto; if he has "a flat tire," "a missing spark plug," "too lean" or "too rich a mixture," "a clogged oiling system," "carbon in his cylinders," "sand in his bearings," or some other abnormal condition, he cannot hit his pace.

### Conflicting Advice Indicates Many Successful Methods

Every one who has been in the work any considerable time must have been amazed, if indeed not bewildered, by the

different opinions as to how life insurance should be sold. Some underwriters use a memorized sales talk and make good; others let circumstances determine what they say. Some advise, "let the prospect talk all he wants to"; others say the salesman should dominate the interview and when the prospect asks a question tell him you will answer it later. Some successful underwriters never see a prospect without a definite appointment; others equally successful, write practically all their business on interviews where no engagements have been made. Some salesmen see a lot of prospects every day and make good by selling a small percentage of them; others select their prospects with care, see but few, but write a large percentage of them. Some salesmen pile up volume by writing a large number of small policies; others accomplish the same result by placing a comparatively small number of large policies. Some cut prospects off their list after two or three unsuccessful interviews; others continue to call upon them as long as there is any hope of selling them. Some work almost exclusively among strangers; others cultivate acquaintances and make them friends before they present the subject of insurance.

From these and others which will oc-

## Provident Mutual Life Insurance Company of Philadelphia Pennsylvania — Founded 1865



PROVIDENT Agents in their approach have the advantage of the national advertising of the Company which is striking and original, and also of a Direct Mail Campaign.



## GENERAL AND DISTRICT AGENCY OPENINGS

IN

Indiana, Illinois and Ohio

A **GOOD** OPPORTUNITY  
FOR **MEN**

We Issue Policies on Men, Women  
and Children

LIBERAL AGENCY CONTRACTS  
EXCEPTIONAL POLICY FEATURES

**KASKASKIA LIFE INSURANCE CO.**

SHELBYVILLE, ILLINOIS

HOME OFFICE



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ues, etc., Calculated. Valuations  
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**L. A. ANDERSON**  
ACTUARY  
518 Valley Nat. Bank Bldg.  
Tel. Walnut 1628  
Des Moines Iowa

**JOHN E. HIGDON**  
ACTUARY  
424 Argyle Bldg., Kansas City, Mo.

cur to you, the first fact which we note about methods is that there are numerous ways of selling life insurance successfully. Furthermore, a careful observation of the manner in which big producers work shows this important fact: They have a definite method and follow it. The first suggestion for your consideration in increasing your effectiveness as a life underwriter is that you adopt some definite method and follow it, revising it from time to time as you find it advisable to do so.

### Learn Particular Way Found to Be Most Successful

The reason different salesmen use various plans successfully is because they are unlike in their individual make-up. There are upwards of 100,000 men and women life underwriters in the United States and Canada, but, as you know, no two are exactly alike. Some people can do things in certain ways which others cannot. Billy Sunday can do and say things and get away with them for which you and I would be beaten up. Recognizing the fact that you are unlike every other human being in the world and that there are numerous methods by which life insurance can be sold successfully, your problem is to learn the particular ways by which you can perform the various features of your work most advantageously, formulate them into a system and follow that system. That, then, will be your own individual method of selling.

### Take Advantage of Knowledge Gained Through Others' Experience

You have often heard the advice that one should not be a "monkey" and try to imitate the other fellow. That is good advice to some extent, but it needs to be qualified. The 100,000 and more men and women selling life insurance are not only using all the known methods, but they are constantly finding new ways of getting results. Now, obviously, you must use methods which others are employing. Furthermore, it is to your advantage to adopt new ones as you learn them which will help to produce more business.

If each new generation discarded all the knowledge their ancestors had accumulated, civilization would make no progress; the human race would remain virtually barbarians. Civilization advances because mankind takes advantage of existing knowledge and with it gains new knowledge.

### Build Sales Method from Own Observations

When you note in your daily work that a certain method produces a desired result, or when you hear one in a speech or get one from your manager or from some underwriter or read one in an insurance journal or elsewhere which appeals to you, have a convenient, systematic place in which to jot it down. If upon putting the new idea into actual practice you find it helpful you will naturally continue to use it; otherwise you will of course discard it. In this way you will gradually improve your skill as a salesman. This plan is scientific because it will assist in standardizing your work, and efficiency engineers have proven that the more features of a man's work he can standardize, the more he can accomplish.

No one can attain his maximum skill as a salesman in a few months or a few

years. But by following the plan suggested herein you can become a better salesman day after day, and it is possible that you may be able to double your production in a single year. Numerous salesmen in the recent race for records have doubled their usual annual production in a single month! The capacity of human accomplishment is almost beyond our comprehension.

What the limit of your capacity is, neither you nor I nor anyone else knows. Until you have at least attained the greatest record ever made by any life underwriter, \$40,000,000 a year, no one, unless you are decrepit, is justified in saying that you have reached your limit.

### Travelers' Non-Medical Campaign

The Travelers is offering its life policyholders the privilege of applying for \$10,000 insurance without new medical examination in June. This proposal is also open to the general public, the company relying upon the selection of the field men to secure good risks. In announcing the usual June campaign, however, the Travelers, states that it prefers that a majority of those accepting the offer should already be policyholders in the Travelers. Throughout this month the Travelers, while retaining the maximum of \$10,000 non-medical insurance, will establish a minimum of \$2,500 for such of its eligible policyholders as desire to increase its insurance only by that amount. The usual minimum for non-medical insurance is \$5,000.

### Announce Program Committee

President Frank L. Jones of the National Association of Life Underwriters has appointed the members of the committee which will arrange the program for the international convention in Atlantic City, Sept. 15-17. Three Canadians and three from the United States have been named. The personnel of the committee includes Hugh D. Hart of New York, John A. Tory of Toronto, W. Lyle Reid of Ottawa and A. Macbeth of Regina, Sask., and Charles L. Scott of Kansas City. The committee holds its first meeting in Detroit Friday. Mr. Jones is the other member of the committee.

### Buckner Sails for Europe

Vice-president Walter Buckner of the New York Life sailed Wednesday for Europe on the Berengaria to complete the liquidation of the company's European business.

## WITH INDUSTRIAL MEN

### NEWS OF THE PRUDENTIAL

#### Number of Promotions Have Been Made from the Ranks of the Field Men

Although its Greenville, S. C., district has only been established since July 20, 1925, the Prudential has decided to expand the territory operated by this district by opening a detached office at Spartanburg, S. C. Marion D. Malone will be the assistant in charge at the detached point. Mr. Malone entered the service as an agent in Atlanta, Ga., Dec. 19, 1921, in which district his ability was

quickly recognized, with the result that he was promoted to assistant superintendent.

The following have been promoted to assistant superintendents in Division N: James J. Lyon, Wheeling, W. Va.; George E. Henry, Miami, Fla.; Bernard J. Mesing, Norfolk, Va.; Louis Kress, Baltimore No. 2; William E. Rutter, Baltimore No. 1; Franklin F. Brooks, Atlanta, Ga.; Ernest C. Crumpton, Greenville, S. C.; and Clinton Dowling, Washington, D. C.

A new detached assistantcy is established at Ann Arbor, Mich. It is being operated by the Detroit No. 5 district. Agent John B. Showler of Ann Arbor has been promoted to assistant superintendent and has assumed charge of the Ann Arbor assistantcy, which takes in Ann Arbor, Ypsilanti, Dearborn and Wayne.

### Western & Southern News

The Western & Southern's leading ordinary district for the year is Middletown, under Superintendent F. E. Brawley. Superintendent C. H. Curry, Cleveland West, leads in industrial.

The leading industrial agent up to the middle of May was G. Dyurica, New Castle. The leading assistant superintendent in this branch was A. C. Wilson, Portsmouth.

The big home office convention will open in Cincinnati this week, continuing for three days. About 220 field men will be in attendance.

### Public Savings Changes

Recent changes in the field by the Public Savings Life are:

Agent H. L. Hagaman, Toledo East, is promoted to superintendent. Superintendent J. F. Tarkington, Fort Wayne, is transferred to Mansfield, Ohio. A new superintendentcy has been created at Newark, Ohio, in charge of Superintendent R. F. Malcolm. Superintendent W. Walters, Elwood, Ind., is transferred to Muncie, Ind. Agent E. A. Smith, Anderson, Ind., is promoted to superintendent at Elwood, Ind. Superintendent H. E. Stork, Goshen, Ind., is transferred to Elkhart, Ind.

Agent L. L. Deisch, Nappanee, Ind., is promoted to superintendent at Goshen, Ind. Superintendent H. C. Cramton, Indianapolis North, is promoted to manager of Indianapolis West.

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